I. EXECUTIVE SUMMARY

A local agency’s conflict of interest code (COIC) tells public officials, governmental employees, and consultants what financial interests they must disclose. It must reflect the current structure of the organization and properly identify officials and employees who should be filing Statements of Economic Interests (Form 700s). To ensure COICs remain current and accurate, each local agency is required to review its code at least every even-numbered year.

The GCTD Board of Directors last approved an update to the agency’s Conflict of Interest Code (COIC) in July 2015 in response to a determination from the Ventura County Clerk of the Board of Supervisors that GCTD specifically include the Board of Directors within the designated positions section, and that the District designate the Clerk of the Board of Supervisors, not the County Clerk, as the filing officer.

For 2016, GCTD’s General Counsel, Best, Best and Kreiger (BB&K) recommended a full review of the District’s COIC. BB&K reviewed position descriptions for all senior management positions and recommended that disclosure categories for certain positions be narrowed somewhat. The review also reorganized the Disclosure Categories to contain more information and clarity on what is required under each category, narrowing the formerly broad Category 1 into Categories 1 and 2 and eliminating Categories 6 and 7 as not applicable to GCTD.

The broadest disclosure requirements remain with the Board, the General Manager and the Director of Finance and Administration, as public officials who manage public investments. The Consultant footnote has been changed out to use updated one provided by the FPPC and remove the definition. All GCTD employees and Board members impacted by this change have been provided advance notice of this change.
The Clerk of the Board of Supervisors remains the Filing Officer for GCTD. This places the filing responsibility with the entity most knowledgeable and gives GCTD filers access to the Clerk of the Board’s E-File system.

Attached to this report are 1) a markup version showing all proposed changes to GCTD’s COIC, and 2) a clean version of the proposed new COIC.

II. SUMMARY AND RECOMMENDATIONS

It is recommended that the Board Approve Resolution 2016-06, to Amend Gold Coast Transit District’s Conflict of Interest Code

Concurrence:

Steven P. Brown
General Manager
RESOLUTION NO. 2016-06

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
GOLD COAST TRANSIT DISTRICT AMENDING THE
CONFLICT OF INTEREST CODE PURSUANT TO THE
POLITICAL REFORM ACT OF 1974

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code section 81000 et seq. (the “Act”), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Gold Coast Transit District (the “District”) and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the Board of Directors adopted a Conflict of Interest Code (the “Code”) which was amended on July 1, 2015, in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the District have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the District’s Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the District being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed amended Code was provided each affected designated employee and publicly posted for review at the offices of the District; and

WHEREAS, a public meeting was held upon the proposed amended Code at a regular meeting of the Board of Directors on September 7, 2016, at which all present were given an opportunity to be heard on the proposed amended Code.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Gold Coast Transit District that the Board of Directors does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto and shall be on file with the Office Manager and available to the public for inspection and copying during regular business hours;

BE IT FURTHER RESOLVED that the said amended Code shall be submitted to the Clerk of the Board of Supervisors of the County of Ventura for approval and said Code shall become effective immediately after the Board of Supervisors approves the proposed amended Code as submitted.
RESOLUTION NO. 2016-06

APPROVED AND ADOPTED this 7th day of September, 2016.

________________________________
Douglas A. Breeze
Board Chair

ATTEST:
I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Board of Directors of Gold Coast Transit District a regular meeting thereof held on the 7th day of September, 2016

________________________________
Steven P. Brown
Secretary of the Board
The Political Reform Act (Gov. Code § 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 Cal. Code of Regs. § 18730) that contains the terms of a standard conflict of interest code which can be incorporated by reference in an agency’s code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, 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. This incorporation page, Regulation 18730 and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Gold Coast Transit District (the “District”).

All officials and designated employees required to submit a statement of economic interests shall file their statements with the Clerk of the Board of Supervisors of Ventura County as the District’s Filing Officer. The District shall make copies of all statements available for public inspection and reproduction during regular business hours. (Gov. Code Section 81008)

[Rescind Previous Language; Readopt FPPC Standard]
APPENDIX

CONFLICT OF INTEREST CODE

OF THE

GOLD COAST TRANSIT DISTRICT

(Adopted September 7, 2016)

PART “A”

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 Cal. Code of
Regs. § 18700.3(b), are NOT subject to the District’s Code, but are subject to the
disclosure requirements of the Act. (Government Code Section 87200 et seq.). [Regs.
§ 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage
public investments1:

Investment Consultants.

1 Individuals 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 that their
position has been categorized incorrectly. The Fair Political Practices Commission makes the final
determination whether a position is covered by § 87200.

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August 2016
## DESIGNATED POSITIONS

**GOVERNED BY THE CONFLICT OF INTEREST CODE**

<table>
<thead>
<tr>
<th># OF POSITIONS</th>
<th>DESIGNATED POSITIONS’ TITLE OR FUNCTION</th>
<th>DISCLOSURE CATEGORIES ASSIGNED</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>General Manager</td>
<td>1, 2</td>
</tr>
<tr>
<td></td>
<td>Director of Engineering &amp; Construction</td>
<td>2, 3, 4</td>
</tr>
<tr>
<td></td>
<td>(created by modifying Facility Project Manager)</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Director of Finance and Administration</td>
<td>1, 2</td>
</tr>
<tr>
<td>1</td>
<td>Director of Transit Operations</td>
<td>4 (narrowed)</td>
</tr>
<tr>
<td>1</td>
<td>Director of Planning and Marketing</td>
<td>1, 2 (same)</td>
</tr>
<tr>
<td>1</td>
<td>Director of Fleet and Facilities</td>
<td>4, 5</td>
</tr>
<tr>
<td>1</td>
<td>Director of Human Resources</td>
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</tr>
<tr>
<td>1</td>
<td>Facility Project Manager</td>
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</tr>
<tr>
<td>1</td>
<td>General Counsel</td>
<td>4, 2 (same)</td>
</tr>
<tr>
<td>5</td>
<td>GCTD Board Member</td>
<td>1, 2</td>
</tr>
</tbody>
</table>

### Consultants and New Positions

**2** Individuals serving as a consultant as defined in FPPC Reg 18700.3 or in a new position created since this Code was last approved that makes or participates in making decisions must file under the broadest disclosure set forth in this Code subject to the following limitation:

The General Manager may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.) The District Manager’s

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August 2016
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 Sec. 81008.)

**Consultants**
Consultants, as defined by Title 2, California Code of Regulations section 18701(a)(2), shall disclose pursuant to the broadest disclosure category in this code subject to the following limitation: The General 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 in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager’s determination is a public record and is to be retained for public inspection in the same manner and location as this Conflict of Interest Code.

Title 2, California Code of Regulations Section 18701(a)(2) reads as follows:

"Consultant" means an individual who, pursuant to a contract with a state or local government agency:

(A) Makes a governmental decision whether to:

(i) Approve a rate, rule, or regulation;

(ii) Adopt or enforce a law;

(iii) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;

(iv) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;

(v) Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract; (vi) Grant agency approval to a plan, design, report, study, or similar item;

(vii) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or

(B) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision as defined in regulation 18702.2 or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency’s Conflict of Interest Code under Government Code section 87302.
DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned. “Investment” means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in the jurisdiction of the District.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that do business or own real property within the jurisdiction of the District.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated employee’s department, unit or division.

Subject to the definitions set forth in the Political Reform Act and applicable regulations:

Category 1—BROADEST DISCLOSURE

(1) All sources of income including gifts, loans and travel payments;
(2) All interests in real property; and
(3) All investments and business positions in business entities.

3 This Conflict of Interest Code does not require the reporting of gifts from outside this agency’s jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)
**Category 2 — REAL PROPERTY**

All interests in real property.

**Category 3 — LAND DEVELOPMENT AND TRANSACTION**

All investments, business positions and income including gifts, loans and travel payments, from sources of the type which engage in land development, construction, or acquisition or sale of real property.

**Category 4 — PROCUREMENT**

All investments, business positions and income including gifts, loans and travel payments, from sources of the type which provide services, facilities, supplies, materials, machinery or equipment of the type utilized by Gold Coast Transit District.

**Category 5 — PROCUREMENT — DEPARTMENT/AGENCY-SPECIFIC**

All investments, business positions and income including gifts, loans and travel payments, from sources of the type which provide services, facilities, supplies, materials, machinery or equipment of the type utilized by Gold Coast Transit District.

**Category 6 — REGULATION AND PERMITTING**

All investments, business positions and income including gifts, loans and travel payments, from sources of the type which are subject to the regulatory, permitting or licensing authority of, or have an application or license pending before Gold Coast Transit District.

**Category 7 — FUNDING**

All investments, business positions and income including gifts, loans and travel payments, from sources of the type which receive grants or other monies from or through Gold Coast Transit District.
CONFLICT OF INTEREST CODE
OF THE
GOLD COAST TRANSIT DISTRICT

(Adopted September 7, 2016)

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PART “B”

DISCLOSURE CATEGORIES

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