

CONFLICT OF INTEREST CODE OF THE MONTEREY PENINSULA AIRPORT DISTRICT

As stated in Section 1 of Monterey Peninsula Airport District's enabling act, ~~(Section 4)~~ titled Monterey Peninsula Airport District Created. A public airport district is hereby created and designated as the "Monterey Peninsula Airport District". The territory and boundaries of the district shall be all of the territory in the County of Monterey. Therefore, the jurisdiction is within the County of Monterey.

SECTION 1. Purpose

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, section 18730 of Title 2 of the California Code of Regulations, which contains the terms of a standard conflict of interest code that can be incorporated by reference in an agency's code. After public notice and hearing, the Fair Political Practices Commission may amend the standard code to conform to the amendments of the Political Reform Act. Therefore, the term of section 18730 of Title 2 of the California Code of Regulations and any amendments to it duly adopted by the Fair Political Practices Commission together with the attached Appendices designating positions and establishing disclosure categories are hereby incorporated by reference and together constitute the Conflict of Interest Code of the Monterey Peninsula Airport District (hereafter "District").

SECTION 2. Designated Positions

Individuals holding positions listed below are designated employees and shall file their statement of economic interests with the Monterey Peninsula Airport District, which will make the statements available for public inspection and reproduction pursuant to Government Code section 81008. Upon receipt of the statements for ***Monterey Peninsula Airport District's Board of Directors (Elected Officials), District Counsel, District Secretary, ~~District Auditor, General Manager, Executive Director, Deputy Executive Director of Finance and Administration, and Deputy Director of Strategy and Development DGM of Planning & Development and Police Chief~~*** the District shall make and retain copies of the statements and forward the original statements to the Board of Supervisors of the County of Monterey ("the code reviewing body").

It has been determined that the designated positions listed above manage public investments and will file a statement of economic interests pursuant to Government Code section 87200.

SECTION 3. Disclosure Categories

The disclosure set forth below specify which kinds of financial interests are reportable. Each designated employee shall file a statement disclosing the employee's interest in investments, real property, income and business positions as designated below. It has been determined that the financial interests set forth in the disclosure categories are the kinds of financial interests which foreseeably may be materially affected through the conduct of a designated employee's office.

- I. Investments (whether or not held by a business entity or trust) in any business entity which has provided in the past two years leased facilities, goods, equipment, vehicles, machinery or services of the types used by the district in an amount equal to or exceeding \$2,000 per year or in any business entity that may foreseeably do so within the next two years.
- II. Interests in real property (whether or not held by a business entity or trust) located in the jurisdiction of the District.
- III. Income (including loans and gifts) from any types of business entities referred to in section I above.
- IV. Business positions in any of the types of business entities referred to in section I above.

Personal Financial Gain

A. Laws Prohibiting Bribery (Pen. Code § 68)

Any employee, elected official or appointee is prohibited from accepting a bribe. Doing so may constitute a felony and is punishable by prison time and fines.

B. Conflicts of Interest Under the Political Reform Act
(Gov. Code § § 87100, 87103)

Gov. Code § 87100: No government employee, official or appointee shall make, or in any way attempt to use, his/her official position to influence a governmental decision in which he/she knows or has reason to know that he/she has any financial interest.

Gov. Code § 87103: No employee, official or appointee shall make a decision with a financial interest if it is reasonably foreseeable that the decision will have a material financial effect on the official, a member of his/her immediate family.

C. Contractual Conflicts of Interest (Gov. Code § 1090)

No government employee, official or appointee may be financially interested in any contract created by them in their official capacity. Neither will they be purchasers or vendors at any sale made in their official capacity.

D. Conflicts of Interest and Campaign Contributions (Gov. Code § 84308)

Employees of a government agency shall not receive contributions in excess of the state limit as established by the Fair Political Practices Commission (\$470 for 2018) \$250 during the time that any permit or license is pending approval by said agency.

E. Conflicts of Interest When Leaving Office (Gov. Code §§ 87406.3, 87407)

Gov. Code § 87406.3: For a period of one year after leaving office or employment, no elected official who formerly worked for a government agency shall make an appearance for another person in front of that agency.

Gov. Code § 87407: No public official shall make, participate in making or use their official position to influence any governmental decision that directly relating to any person with whom he/she is negotiating, or has any arrangements concerning prospective employment.

Limitations on Accepting Contributions

A. Gov. Code § 86203: Lobbyists are prohibited from making any gift worth upward of \$10 in any given month.

B. Gov. Code § 89503: No elected official shall accept gifts from a single source in one calendar year totaling ~~over \$250 from a single source in one calendar year~~ more than the state limit as established by the Fair Political Practices Commission (\$470 for 2018).

C. Gov. Code § 89506: Payment from agencies for travel and lodging and food expenses are not considered a gift under Gov. Code §§ 86203 and 89503.

D. Honoraria Ban (Gov. Code § 89502)

No government official shall accept any honorarium.

E. Misuse of Public Funds (Pen. Code § 424; Gov. Code § 8314; *Fair Political Practices Commission v. Suitt* (1979) 90 Cal.App.3d 125; *Stanson v. Mott* (1976) 17 Cal.3d 206)

Use of public funds for personal benefit or for the benefit of friends or families is punishable by imprisonment. The official will be disqualified from holding public office in the state.

F. Prohibitions Against Gifts of Public Funds (Cal. Const., art. XVI, § 6)

The legislature body will not have the authority or power to give or lend public funds to any person except for a public purpose

G. Mass Mailing Restrictions (Gov. Code § 89001)

No newsletter or mass mailing shall be sent at public expense.

H. Prohibition against acceptance of free transportation by transportation companies (Cal. Const., art. XII, § 7)

A transportation company may not offer free transportation to any person holding office in California. The acceptance of free transportation will be deemed a forfeiture of office.

Government Transparency Laws

- A. Economic interest disclosure under the Political Reform Act (Gov. Code § 87200)

Candidates for government office must file a statement disclosing financial and real property interests. Also a statement of income for the prior 12 months is required.

- B. Brown Act (Gov. Code § 54950 et seq.)

Public agencies exist to serve the people and should conduct their meetings openly.

- C. Public Records Act (Gov. Code § 6250)

Information relating to the conduct of people's business as produced by any government agency is the people's right to know.

Fair Process Laws

- A. Common Law bias provisions

A decision maker who stands to gain or lose from a decision is disqualified from acting as a decision maker.

Breakzone Billiards v. City of Torrance, 81 Cal.App.4th 1205(2000)

- B. Due Process Requirement

A hearing officer whose potential future income derives from work that an agency might give based on his or her performance in a hearing at hand is not giving due process.

Haas v. County of San Bernardino 27 Cal.4th 1017 (2002)

- C. Doctrine of Incompatible Offices (Gov. Code § 1099)

A government officer may not hold two offices in government that are incompatible.

- D. Competitive Bidding Requirements for Public Contracts.

In projects in excess of \$5,000 the district may award the project to the lowest bidder. District may reject any and all bids and re-advertise in an effort to get new bids. The District may by a four-fifths (4/5) vote turn the project over to a governmental agency.

[AB1234 requires that a Director receive ethics training every two years.]