



# *CITY COUNCIL AGENDA REPORT*

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**MEETING DATE: MAY 6, 2014**

**ITEM NUMBER:**

**SUBJECT: ETHICS POLICY**

**DATE: APRIL 25, 2014**

**FROM: THOMAS R. HATCH, CHIEF EXECUTIVE OFFICER**

**PRESENTATION BY: TAMARA S. LETOURNEAU, ASSISTANT CHIEF EXECUTIVE OFFICER**

**FOR FURTHER INFORMATION CONTACT: TAMARA S. LETOURNEAU, ASSISTANT CHIEF EXECUTIVE OFFICER AT (714) 754-5328**

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## **RECOMMENDATION:**

Staff recommends that the City Council approve City Council Policy 000-15 establishing an Ethics Policy.

## **BACKGROUND AND DISCUSSION:**

The residents and businesses in the City of Costa Mesa 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 decision-makers be independent, impartial, and accountable to the people they serve.

Attachment A is the Administrative Regulation 2.36 establishing the ethics policy for City employees. In addition to the Administrative Policy, it is recommended that the City Council adopt this Ethics Policy as a Council policy as well. Attachment B is a draft of a new City Council Policy 000-15. These policies are identical but apply to the groups governed by each type of policy.

The Ethics Policy covers the following topic areas:

- Act in the Public Interest
- Respect for Government Structure and Process
- Conduct
- Comply with the Law
- Conflict of Interest
- Use of Public Resources
- Confidentiality
- Development Projects
- Gifts and Favors
- Compliance and Enforcement

The purpose of this policy is to promote and maintain the highest standards of personal and professional conduct in the City's government. All elected and appointed officials, City employees, volunteers, and others who participate in the City's government are required to adhere to this policy, understand how it applies to their specific responsibilities, and practice these values in their work. Because we seek public confidence in the City's services and public trust of its decision-makers, our decisions and our work must meet the highest ethical standards and demonstrate the highest levels of achievement.

**ALTERNATIVES CONSIDERED:**

1. Approve the Ethics Policy with modifications.
2. Do not adopt the Ethics Policy.

**FISCAL REVIEW:**

There is no fiscal impact as a result of this report.

**LEGAL REVIEW:**

The City Attorney has reviewed the policy and approved it as to form.

**CONCLUSION**

Staff recommends that the City Council adopt Council Policy 000-15 establishing an Ethics Policy for the City of Costa Mesa.

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TAMARA S. LETOURNEAU  
Assistant Chief Executive Officer

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THOMAS R. HATCH  
Chief Executive Officer

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THOMAS DUARTE  
City Attorney

Attachment A: [Administrative Regulation 2.36](#)  
Attachment B: [Council Policy 000-15 Ethics Policy](#)

<b>SUBJECT:</b> ETHICS POLICY	<b>POLICY NUMBER</b> 000-15	<b>EFFECTIVE DATE:</b> May 6, 2014	Page 1 of 3
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**PURPOSE:**

The residents and businesses in the City of Costa Mesa 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 decision-makers be independent, impartial, and accountable to the people they serve.

The City of Costa Mesa has adopted this Ethics Policy to promote and maintain the highest standards of personal and professional conduct in the City’s government. All elected and appointed officials, City employees, volunteers, and others who participate in the City’s government are required to adhere to this policy, understand how it applies to their specific responsibilities, and practice these values in their work. Because we seek public confidence in the City’s services and public trust of its decision-makers, our decisions and our work must meet the highest ethical standards and demonstrate the highest levels of achievement.

**POLICY:**

**1. Act in the Public Interest**

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

**2. Respect for Government Structure and Process**

The City of Costa Mesa operates under the council-manager form of government. Specifically, the electorate elects a five member city council to set the policy for the City. The City Council retains a city manager (e.g. Chief Executive Officer) to implement the City Council’s policy decisions. The City Council also appoints commissioners and committee members to advise them on policy issues.

The role of City staff is to conduct thorough and impartial analysis and bring forth a professional recommendation to both appointed and elected officials as appropriate. A majority vote of the City Council sets the policy direction for the City. City staff shall respect the council-manager form of government and the policy decisions made by the City Council, commissions and committees regardless of whether or not the staff recommendation was adopted.

### 3. **Conduct**

The professional and personal conduct of officials, employees and volunteers must avoid the appearance of impropriety. Officials, employees and volunteers shall listen courteously and attentively to all discussions before the body. They shall refrain from abusive conduct, or verbal attacks upon the character or motives of other officials, employees or the public.

Officials, employees and volunteers will make impartial decisions, free of bribes, unlawful gifts and be truthful in what they say and do.

### 4. **Comply with the Law**

Officials, employees and volunteers shall comply with the laws of the United States of America, the State of California and the City of Costa Mesa in the performance of their public duties. These laws include, but are not limited to: the United States and California Constitutions; all State and Federal laws; the City of Costa Mesa Municipal Code; laws pertaining to conflicts of interest, election campaigns, financial disclosures, employer responsibilities, and open processes of government, the Meyers-Milias Brown Act as well as other City resolutions and policies.

### 5. **Conflict of Interest**

In order to assure their independence and impartiality, officials shall not use their official positions to influence government decisions in which they have a direct or indirect material financial interest, or where they have an organizational responsibility or personal relationship which may give the appearance of a conflict of interest. For City employees, this includes following the Outside Employment policy to ensure there is not a conflict of interest.

In accordance with the law, officials shall fully disclose investments, interests in real property, sources of income, and gifts. Further they shall abstain from participating in deliberations and decision-making where conflicts may exist.

### 6. **Use of Public Resources**

Officials, employees and volunteers shall not use public resources for private gain or campaign purposes. Further, it is imperative that in all decisions, officials, employees and volunteers be responsible stewards of public funds and work to ensure that services are being delivered in the most efficient and effective manner possible. Specifically, officials, employees and volunteers shall conserve City resources and 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 individual and/or City may be reimbursed.

### 7. **Confidentiality**

Officials, employees and volunteers 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 the 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.) as confidential and items subject to the attorney-client privilege.

## 8. Development Projects

City Council Members, Commissioners and, Committee Members ~~and employees~~ shall refrain from committing to how they will cast their vote as of the likely approval or denial of discretionary actions that require a majority consensus and public review for action on an application. Also, the CEQA review path should not be predetermined prior to a complete understanding of the proposed project and potentially significant environmental issues. This avoids the perception of committing the City to a prescribed review path until staff has reviewed and considered the relevant technical data and studies.

## 9. Gifts and Favors

Officials, employees and volunteers 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 judgment or action or give the appearance of being compromised.

## 10. Compliance and Enforcement

Officials, employees and volunteers 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 will be included in the orientation for all newly elected and appointed officials, as well as for City employees.

The City Council may impose sanctions on appointed officials, commissioners and committee members whose conduct does not comply with the City's ethics standards, such as formal censure; or, loss of a commission position. As with City officials, City employees shall comply with the ethics standards. Violations of the ethics policy for City employees may result in discipline up to and including termination. Any Memorandum of Understanding (MOU) currently in place, the Fire Fighter Bill of Rights or Police Officer Bill of Rights will supersede/supersedes this document.