

NOTICE AND AGENDA Commission Meeting¹

California Fair Political Practices Commission 428 J Street, Suite 800 Sacramento, CA 95814

Thursday, May 16, 2013 10:00 A.M.

According to (Gov. Code Section 11123) (a) all meetings of a state body shall be open and public and all persons shall be permitted to attend any meeting of a state body except as otherwise provided in this article. The Section further states: the portion of the teleconferenced meeting that is required to be open to the public shall be audible to the public at the location specified in the notice of the meeting.

WELCOME AND CHAIR'S REPORT

Ann Ravel, FPPC Chair

PUBLIC COMMENT

1. Public Comment.

This portion of the meeting is reserved for comment on items not on the agenda. Under the Bagley-Keene Act, the Commission cannot act on items raised during public comment, but may respond briefly to statements made or questions posed; request clarification; or refer the item to staff.

¹You can obtain further information about the meeting by contacting the Commission Assistant, 428 J Street, Suite 620, Sacramento, CA, 95814, Tel. (916) 322-5745. Written comments on agenda items should be submitted to the Commission no later than 12:00 p.m. the day before the meeting in order to afford the Commissioners adequate time to fully consider the comments. The fax number for comment letters is (916) 322-6440.

The agenda and related documents are posted on the FPPC website at <u>www.fppc.ca.gov</u>. Materials submitted by the public regarding each agenda item will be made available at the meeting and on the website.

Members of the public may listen to the meeting by phone by calling (888) 751-0624; access code 723284; or watch the meeting via Webinar at meeting via YouTube.

The meeting location is accessible to the disabled. Persons who, due to a disability, need assistance in order to participate in this meeting should, prior to the meeting, contact the Commission Assistant at (916) 322-5745 (voice), (916) 322-6440 (facsimile) or in writing. TTY/TDD and Speech-to-Speech users may dial 7-1-1 for the California Relay Service to submit comments on an agenda item or to request special accommodations for persons with disabilities. Please allow a reasonable period of time between the request and the meeting date.

PROPOSED CONSENT CALENDAR ITEM 2 - 13

2. Approval of April 2013 Commission Meeting Minutes.

Conflict of Interest

- 3. In the Matter of Marc Richardson, FPPC No. 13/053. Staff: Executive Fellow Adam Silver and Political Reform Consultant Adrianne Korchmaros. Respondent, Marc Richardson, Director of Recreation and Parks for the City of Santa Rosa, received gifts including free golf course access, range access, cart use, lessons and merchandise discounts, that exceeded the reporting threshold of \$50 in 2008, 2009, 2010, and 2011, and failed to report these gifts on his Annual Statements of Economic Interests, in violation of Government Code Sections 87300 and 87302 (1 count). Additionally, Respondent received gifts exceeding the applicable gift limit from one source in 2009, 2010, 2011, and 2012 in violation of Government Code Section 89503, subdivision (c) (1 count). Respondent impermissibly made, participated in the making, or influenced a governmental decision by assisting in the negotiations of agreements with Bennett Valley Golf Course and recommending to the Santa Rosa City Council that it enter into and amend agreements with Bennett Valley Golf Course, which was the source of a gift that exceeded the annual gift limit, in violation of Government Code Section 87100 (1 count). Total Proposed Penalty: \$6,500.
- 4. In the Matter of Sam Downing, FPPC No. 12/158. Staff: Senior Commission Counsel Angela Brereton and Special Investigator Paul Rasey. Respondent, Sam Downing, was named President/Chief Executive Officer ("CEO") of Salinas Valley Memorial Hospital ("SVMH") in 1985 and held that position until his retirement on or about April 30, 2011. As the CEO of SVMH, Respondent was a public official, as defined in Section 82048 of the Political Reform Act, and was a designated employee in the Conflict of Interest Code for SVMH. In this matter, Respondent violated the conflict of interest provisions of the Act when he executed a contract to waive the security amount to the Federal Deposit Insurance Corporation limits of \$100,000, for the benefit of First Capital Bank, in which he knew, or had reason to know, he had a financial interest, in violation of Government Code Section 87100 (1 count). Additionally, Respondent violated the financial disclosure requirements of the Act by failing to disclose his \$50,000 interest in First Capital Bank on his 2007 Annual Statement of Economic Interests in violation of Government Code Sections 87300 and 87302, subdivision (b) (1 count). Total Proposed Penalty: \$5,000.

Campaign Reporting

- 5. In the Matter of Tony Bushala, FPPC No. 12/831. Staff: Commission Counsel Milad Dalju and Political Reform Consultant Jeanette Turvill. Respondent Tony Bushala, an active major donor committee in 2012, failed to timely file a preelection statement covering the period January 1, 2012, through March 17, 2012, due March 22, 2012, in violation of Government Code Section 84200.5, subdivision (i)(1) (1 count); failed to timely file a preelection statement covering the period March 18, 2012, through May 19, 2012, due May 24, 2012, in violation of Government Code Section 84200.5, subdivision (i)(1) (1 count); failed to timely file a preelection statement covering the period July 1, 2012, through September 30, 2012, due October 5, 2012, in violation of Government Code Section 84200.5, subdivision (i)(1) (1 count), and; failed to timely file a preelection statement covering October 1, 2012, through October 20, 2012, due October 25, 2012, in violation of Government Code Section 84200.5, subdivision (i)(1) (1 count). Total Proposed Penalty: \$9,500.
- 6. In the Matter of Christopher Kelly, Kelly for Attorney General 2010, and Jane Leiderman, FPPC No. 12/105. Staff: Commission Counsel Dave Bainbridge. Respondent, Chris Kelly, ran for Attorney General in 2010 but lost in the Primary Election. Respondent Kelly for Attorney General 2010 was his campaign committee and Respondent Jane Leiderman served as the committee Treasurer. Respondents failed to timely report required subvendor information on a preelection campaign statement covering the period March 18, 2010, through May 22, 2010, due May 27, 2010, for expenditures totaling \$7,729,352, and failed to timely report required subvendor information on a semi-annual campaign statement covering the period May 20, 2010, due August 2, 2010, for expenditures totaling \$2,192,168, in violation of Government Code Sections 84211, subdivision (k) and 84303 (1 count). Total Proposed Penalty: \$2,500.
- In the Matter of Brian Walters, FPPC No. 12/735. Staff: Legal Analyst Tracey Frazier. Respondent, Brian Walters, failed to timely file a Short Form Campaign Statement (Form 470) covering the 2012 calendar year, due July 31, 2012, in violation of Government Code Section 84200 (1 count). Total Proposed Penalty: \$200.
- 8. In the Matter of Friends to Elect Gerri Guzman, FPPC No. 12/742. Staff: Legal Analyst Tracey Frazier. Respondents, Friends to Elect Gerri Guzman, Geraldine Guzman, an incumbent Montebello Unified School District Governing Board

Member, and Charlotte Truillo, the committee's Treasurer, failed to timely file a Recipient Committee Campaign Statement (Form 460) for the period covering January 1, 2012, through June 30, 2012, due July 31, 2012, in violation of Government Code Section 84200 (1 count). **Total Proposed Penalty: \$200.**

Lobbying Reporting

9. In the Matter of Sullivan Solar Power, FPPC No. 12/0834. Staff: Legal Analyst Tracey Frazier and Law Clerk Robert Cosgrove. Respondents, Sullivan Solar Power, a California lobbyist employer, and Daniel Sullivan, Sullivan Solar Power's President and Responsible Officer, failed to timely file a Lobbyist Employer Report (Form 635) covering the periods October 1, 2011, through September 30, 2012, failing to disclose total payments made for lobbying services in the amount of \$90,000, in violation of Government Code Sections 86115, 86117, and 84605 (4 counts). Total Proposed Penalty: \$4,000.

Statement of Economic Interest – Non-Reporting

- 10. In the Matter of Richard Hovden, FPPC No. 13/239. Staff: Commission Counsel Dave Bainbridge and Political Reform Consultant Adrienne Korchmaros. Respondent, Richard Hovden, served as the Park Planning and Development Manager for the Recreation and Parks Department of the City of Santa Rosa from 2007 through February 2013. From 2008 through 2011, he received gifts over \$50 from Bennett Valley Golf Course that he did not report on his Annual Statements of Economic Interest in violation of Government Code sections 87300 and 87302 (1 count). In 2009 through 2012, he accepted gifts from Bennett Valley Golf Course in excess of the annual gift limits in violation of Government Code section 89503, subdivision (c) (1 count). Total Proposed Penalty: \$3,000.
- 11. In the Matter of Jack Gingles, FPPC No. 13/055. Staff: Political Reform Consultant Adrianne Korchmaros. Respondent, Jack Gingles, as Mayor for the City of Calistoga and Member of the Association of Bay Area Governments, failed to timely disclose economic interests consisting of an investment in, and income from, a business he owned as well as his ownership interest in the real property housing the business on his 2009 Annual Statement of Economic Interests covering the period January 1, 2009, through December 31, 2009, due April 1, 2010, in violation of Government Code Sections 87206 and 87207 (1 count). Total Proposed Penalty: \$200.

12. In the Matter of Michael J. Rubio, FPPC No. 13/081. Staff: Political Reform Consultant Adrianne Korchmaros. Respondent, Michael J. Rubio, as a Senator for the State of California, failed to timely disclose his economic interest in the purchaser of his real property as a source of income on the 2011 Annual Statement of Economic Interests covering the period January 1, 2011, through December 31, 2011, due March 1, 2012, in violation of Government Code Section 87207 (1 count). Total Proposed Penalty: \$200.

Late Contribution Reporting

13. In the Matter of San Mateo County Democratic Central Committee and Xavier R. Martinez, FPPC No. 13/082. Staff: Political Reform Consultant Adrianne Korchmaros. Respondents, San Mateo County Democratic Central Committee and its Treasurer, Xavier R. Martinez, failed to timely file Late Contribution Reports (Form 497) covering the periods August 22, 2009, due on August 23, 2009, and October 27, 2010, due October 28, 2010, with the Secretary of State in violation of Government Code Section 84203. (2 counts). Total Proposed Penalty: \$2,400.

Major Donor Reporting

14. In the Matter of Mark Hall, FPPC No. 13/266. Staff: Senior Commission Counsel Neal Bucknell and Special Investigator Beatrice Moore. In 2008, Respondent, Mark Hall, was a major donor who made contributions in excess of \$27,000 to Amy Bublak for City Council and Friends of Kurt Vander Weide in connection with the election for Turlock City Council. In this matter, Respondent failed to file required Major Donor Committee Campaign Statements for the reporting periods ending September 30, 2008, due October 6, 2008 and October 18, 2008, due October 23, 2008 in violation of Government Code Sections 84200.5, subdivision (g)(1), and 84200.7, subdivision (b) (as they were in effect in 2008) (2 counts). Total Proposed Penalty: \$1,600.

EXECUTIVE STAFF REPORTS ITEM 15

Legislative Report. Staff: Legislative Coordinator, Sukhi Brar

Legal Division Report. Staff: General Counsel, Zackery P. Morazzini

Technical Assistance Division Report. Staff: Chief of Technical Assistance Division, Lynda Cassady