

State of California



Fair Political Practices Commission

P.O. BOX 807 • SACRAMENTO, 95804 • • • 1100 K STREET BUILDING, SACRAMENTO, 95814

Technical Assistance • • Administration • • Executive/Legal • • Enforcement • • Statements of Economic Interest
(916) 322-5662 322-5660 322-5901 322-6441 322-6444

March 27, 1985

Ronald J. Einboden
Oliver, Stoeve & Laskin
1000 Sunset Boulevard
Los Angeles, CA 90012

Re: A-85-072

Dear Mr. Einboden:

Your letter requesting advice under the Political Reform Act has been referred to Robert Leidigh, an attorney in the Legal Division of the Fair Political Practices Commission. If you have any questions about your advice request, you may contact this attorney directly at (916) 322-5901.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or unless more information is needed to answer your request, you should expect a response within 21 working days.

Very truly yours,

Barbara A. Milman
Barbara A. Milman
General Counsel

BAM:plh

State of California



Fair Political Practices Commission

P.O. BOX 807 • SACRAMENTO, 95804 • • • 1100 K STREET BUILDING, SACRAMENTO, 95814

Technical Assistance • • Administration • • Executive/Legal • • Enforcement
(916) 322-5662 322-5660 322-5901 322-6441

April 26, 1985

Ronald J. Einboden
City Attorney
City of South Pasadena
c/o Oliver, Stoever & Laskin
1000 Sunset Boulevard
Los Angeles, CA 90012

Re: Your Request for Advice
Our No. A-85-072

Dear Mr. Einboden:

You have written requesting advice on behalf of South Pasadena City Councilman David L. Margrave. Your request stems from the following facts.

FACTS

1. Mr. Margrave became a councilmember in 1982.
2. Mr. Margrave and his wife are the sole owners of the stock of Morrow & Holman Plumbing, Inc., and became the owners of said corporation in approximately December of 1976.
3. The City of South Pasadena has been obtaining plumbing services and supplies from Morrow & Holman Plumbing for more than 50 years.
4. Morrow & Holman Plumbing continually furnished plumbing services and supplies to the City of South Pasadena, on a periodic or on an as required basis, since Mr. Margrave became the owner.
5. Plumbing services and supplies are purchased by the City of South Pasadena in accordance with its Resolution No. 5470, Purchasing Rules and Regulations, which resolution was adopted by Ordinance No. 1779. Copies of these documents are attached.

6. Typically, purchases of services and supplies are made by City Staff members from known, available sources or, depending upon the dollar value, bids are obtained.
7. Neither Mr. Margrave nor the City Council is involved in the actual negotiation of these purchases.
8. If and when periodic purchases for supplies and services are made, the payment for these supplies and services is made by City warrant. Prior to payment of any City warrant, the Director of Finance submits to the City Council all warrants for a particular period of time. Typically, the City Council then votes, as a consent item, to approve the warrants unless one or more of the warrants are removed for special consideration by the City Council.
9. With respect to the dollar limits contained in Government Code Section 87103, it can be assumed that Mr. Margrave has a direct or indirect investment in the corporation worth more than \$1,000 and that the corporation is a source of income to him in excess of \$250 per year and that he is a director, officer and holds a position of management in the corporation.

QUESTION

The issue currently concerning Mr. Margrave and the City Council involves a number of his corporation's invoices totaling \$1,386.76 and whether or not the Council, including Mr. Margrave, may vote to approve the payment of city warrants for these invoices.

ANALYSIS

The Political Reform Act^{1/} provides that a public official shall not make, participate in making, or use his

^{1/} Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise specified. As stated previously, the FPPC does not provide advice with respect to the possible application of Section 1090, et seq. You understand this fact.

Ronald J. Einboden
April 26, 1985
Page 3

official position to influence a governmental decision in which he or she has a financial interest, as defined. Section 87100. An official has a financial interest in a decision if the reasonably foreseeable effect of that decision upon one of the official's economic interests will be both "material" and distinguishable from the effect on the public generally.

One of the economic interests to which the prohibition applies is: any business entity in which the official has an investment of \$1,000 or more. Another economic interest is: any source of income of \$250 or more during the preceding 12-month period. As stated in your facts, Morrow & Holman Plumbing meets both of these criteria in Mr. Margrave's case.

Consequently, we must look at whether any decisions which he makes or participates in making will have a material financial effect on Morrow & Holman Plumbing. As we understand the facts and the question, Mr. Margrave does not use his position as a City Councilman to influence other city officials to select his plumbing company for city business, nor is he in any way involved in that selection process. His only role is when the City Council votes to pay city warrants for invoices submitted by his company for work performed.

It is clear under the conflict of interest provisions of the Political Reform Act that the other councilmembers are free to participate so long as none of them has any economic interest in Morrow & Holman Plumbing.^{2/} The only issue for us to consider is Mr. Margrave's participation.

Given the relatively small size of the decision involved, the amount in question does not meet the current guidelines for materiality (either the existing guidelines under 2 Cal. Adm. Code Section 18702(b)(1)(A) or newly-adopted 2 Cal. Adm. Code Section 18702.2). Given our understanding that Morrow & Holman Plumbing has annual gross revenues of \$1,000,000,^{3/} the threshold under either regulation's guidelines would be a \$10,000 effect on annualized gross revenues. The decision at hand is only \$1,386.76.

^{2/} Again, we do not consider any possible application of Section 1090, et seq. See also the enclosed copy of our Advice Letter No. A-82-150, on a similar factual situation.

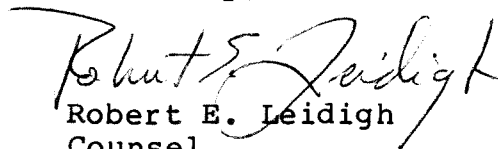
^{3/} See attached copy of Los Angeles Times newspaper article.

Ronald J. Einboden
April 26, 1985
Page 4

However, it should be pointed out that the Commission has noticed another regulation for consideration at its June meeting (to be held in Los Angeles), proposed 2 Cal. Adm. Code Section 18702.1 (copy enclosed), which, if adopted as noticed, could require disqualification where Mr. Margrave's business is the direct subject of the decision (if the decision is not ministerial in nature), without regard to the relative magnitude of the effect.^{4/} You should follow the progress of this proposed regulation and advise Mr. Margrave accordingly.

If you have any further questions regarding this matter, please do not hesitate to contact me. I may be reached at (916) 322-5901.

Sincerely,


Robert E. Leidigh
Counsel
Legal Division

REL:plh

^{4/} The regulation would not affect the ability of the other councilmembers to participate.

THOMAS W. STOEVER
RICHARD LASKIN
WILLIAM B. BARR
RONALD J. EINBODEN
CHARLES S. VOSE
CONNIE COOKE SANDIFER
ROBERTA S. KALLAN

LAW OFFICES
OLIVER, STOEVER & LASKIN
A PROFESSIONAL CORPORATION
1000 SUNSET BOULEVARD
LOS ANGELES, CALIFORNIA 90012
(213) 250-3043

OF COUNSEL:
NORMAN G. OLIVER

APR 22 12 18 PM '85

April 18, 1985

Robert E. Leidigh, Counsel
Legal Division
Fair Political Practices Commission
P. O. Box 807
Sacramento, California 95804

Re: Request for Advice - Your No. A-85-072

Dear Mr. Leidigh:

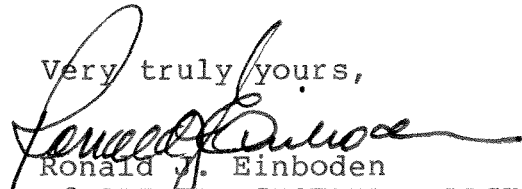
Enclosed please find Mr. Margrave's letter of April 17, 1985, with enclosures, in response to your inquiry of April 5, 1985.

The issue currently concerning Mr. Margrave and the City Council involves a number of his corporation's invoices totaling \$1,386.76 and whether or not the Council, including Mr. Margrave, may vote to approve the payment of city warrants for these invoices.

I understand that your Agency does not administer Government Section 1090 et seq. In that the Attorney General will render opinions only at the request of certain specified state and other agencies pursuant to Government Code Section 12519, and neither councilman nor a city attorney is one of those agencies, I will address the issue of Government Code Section 1090 to Mr. Margrave and the City Council.

Please contact me should you require anything further on this matter.

Very truly yours,


Ronald J. Einboden
of OLIVER, STOEVER & LASKIN

RJE:jo
Enclosures

cc: Councilman David L. Margrave
(with enclosures)

City Manager John J. Bernardi
(with enclosures)

April 17, 1985

Ms. Barbara Milman, General Counsel
Fair Political Practices Commission
P.O. Box 807
Sacramento, CA 95804

Dear Ms. Milman,

As requested by our City Manager, I have these comments to Mr. Tom Bieseck's letter.

1. & 2. Prior to my election in April 1982, the city had been doing business with Morrow & Holman Plumbing almost exclusively as it is located within the city limits. I had purchased Morrow and Holman in 1976. The only other plumbing company located in South Pasadena prior to that time was Roy's Plumbing. In 1977 I had purchased that small company, so in effect Morrow and Holman and Roy's had done, and still do, most all the plumbing work within our community. These repairs consist of primarily small repairs, for example - toilet stoppages, faucet repairs, plugged drains, sewage cleaning, broken backflow devices, rain-bird repairs and replacement, drinking fountain repairs, water heater repairs and replacement, etc.

The comparison of bills as sent do not reflect the total truth. Morrow and Holman did work prior to April 1982 and we billed the city for this in April 1982, \$2,000.00, and the bill was paid in May 1982. This amount alters the total amount considerably.

The city has acted frugally since Prop 13. We have reduced our work force considerably. Prior to 1978 levels, repair work had all but ceased and the repairs needed were being ignored for several years. The city had little money to work with. Many repairs, minor in scope, had been done by Morrow & Holman at no charge during this period. Minor repairs that had been accomplished by the city crews are now handled by staff personnel. Whatever that can be farmed out to contract services are being done in order to cut costs. For example, it is far cheaper to pay a plumber 38 dollars per hour for only two or three hours per week than to pay all costs of a city employed plumber for 40 hours per week. Also, the contractors the city uses are non-union which reduces the cost to the city. No benefits are paid, and 24 hour emergency service is available at no extra cost. Morrow and Holman has 10 experienced journeyman plumbers available to the city on a moments notice. Example, at no extra cost, we respond to any city call within 1 hour upon request. Further, we respond usually within 10 minutes on an emergency basis within the city limits. We do react instantly if the Fire Department calls

us out to help them with floods in homes, basements. This sort of response has existed since 1976 and for 50 years prior to that. In fact, no one knows how long this has been the case.

3. The parcel of land mentioned by Mr. Biesek was, in fact, purchased by First Arroyo Bank. The ownership of the bank is in many hands. Mr. Colliau, a past Planning Commissioner, owns very little of the stock in that corporation. Much more importantly, I voted to sell the land only after requesting that the bank pay more for the land than what had been offered. My vote would not have been the deciding one. It would have gone 4 votes to sell and 1 (my vote) not to, if I had so insisted, for more money. Further, this land had been held by the city for 10 years or more and was a key to progress as to the downtown parking lot, which by the way, is now almost complete. The money we received has been used to upgrade a sadly ignored section of our community, the downtown district.

As to the allegation of a plumbing contract, I dealt with Mr. Frank Novarro, Contractor. I was low bidder on this job. Frank places business before friendship on money deals when working on building projects. I am a contractor and I bid the job above board. Also, I explained to council all my actions prior to doing any work, so as not to hide anything. As to his statement that other private projects have been acted upon unfairly, not so. If they had, Mr. Biesek would have sent you information on them. He would not have left this up to your imagination. I say fiddlesticks to any other projects.

4. This one really defies belief. Mr. Biesek has squarely accused me of firing a building inspector under no uncertain terms. Again, untrue. As he stated, he was a police officer which made him privy to information in the city. I have enclosed copies of the building permits, items 1 & 2. These show clearly that any statement by Mr. Biesek is untrue. One shows clearly that Julius Selecky, our building inspector at that time, gave final approval on this project. He then retired, 5 months later, from the city. No. 2 clearly shows that Mr. Bill Terrin signed the rough plumbing on January 16, 1984 and also all through the project until final approval on May 22, 1984. A gas line approval was ok'd by Mr. Randall, as an extra, 6 months after the building had been completed. A gas line to a cooktop and air conditioning unit had been added after everything else had been completed. The fact is Mr. Biesek does not know the facts as to city business.

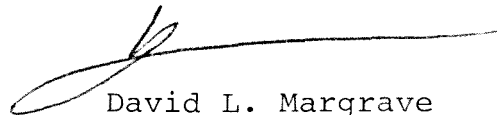
5. Again, anyone can insult and threaten a city councilman, and I agree we must have open debate, yet it is believed that someone said that I get mad if another plumber is called into play on city business. I say, rather, I would certainly appreciate the work, yet since it is less than $\frac{1}{2}$ of 1% of my total yearly gross income, loss of all the city's work would not aggravate me nor the plumbers who live and work in South Pasadena. The work and money my men do for no charge for the city far outweighs the money we make. Example - my men, on a Saturday, installed about 250 feet of 4" sewer line at the ball diamond at no charge at all to the city, plus we did not get one penny worth of advertising. Further, we gave hundreds of feet of galvanized pipe to the Soccer Association free so they could set up a new program.

Also, I personally have never charged for one minute of my time to the city since 1976 and I never will. My professional services to the city in every case, including aiding the much reduced Water Department staff is given freely. I only charge for work my men charge, and that is for only about half the work they do, as my men also live in town. Our town is only 3 square miles and no more.

6. I have served my country as a veteran of the Vietnam War. A volunteer, I am now serving my community as an elected official. I do not claim to be perfect, I have made errors. Yet I do have family and friends that share in my belief that just because you are elected to office by your neighbors that you do not have to stop doing work in your chosen profession. Rather, I believe that there comes a time when you must explain to all that, in fact, you do desire to work in one's community and carry on with what you believe is right.

To close, I believe I save money for the citizens of South Pasadena. I bid low on city jobs. I do the work fast and I only charge for less than half of the calls we actually get. My concern is to make sure my city does not pay any more for prompt, reliable service than is necessary. That's all for now.

Thank you,

A handwritten signature in dark ink, consisting of a stylized 'D' followed by a long horizontal stroke that curves slightly upwards at the end.

David L. Margrave

Repairs
Remodeling

MORROW & HOLMAN PLUMBING, INC.

PLUMBING • HEATING • AIR CONDITIONING

Sprinklers
Water Conditioning
Sewer Clearing

JOB 26948
Nº 26948

Date 4-22-82

Sched.

Name War Memorial Building

Bill to City of South Pasadena

Job Address

Address 1414 Mission St.

City/Zip

(h) Phone

City/Zip So. Pasadena CA 91030

(h) Phone

(o) Phone

(o) Phone

Job Description

Special Instructions

Date	Man	Hrs.	Work Accomplished	Completed	
				Yes	No
			REPAIRED ALL LEAKS AND OILS TO WATER PIPES		
1-25-82	Fred	1	2-12-82 Dana 8		
			2-16-82 Don 8 1/2		
2-10-82	Dana	2 1/2	Don 2		
			2-17-82 Don 1 1/2		
2-11-82	Dana	5	2-18-82 Dana 8 1/2		
			3-3-82 Don 7 1/2		
	Don	5	Don 6 1/2		
Total Hours			PLUMBER 42 1/2 hours @ \$24.50 = \$1,031.25		
			HELPER 12 1/2 hours @ \$12.25 = \$153.13		

Material Used		Cost		Material Used		Cost	
1- 1/2" union		2	38	2- 1 1/2" FVC ells		10	00
3- 1/2 x sh nipples		2	67	2- cans FVC glue		0	20
4- 4" pipe clamps		2	60	6- 1 1/2" FVC tees		18	00
50'- 1/2" copper pipe		35	50	6- 1 1/2" 45° ells		21	00
115'- 3/4" copper pipe		128	80	2- 1 1/2 x 1/2" FVC bushings		3	72
4- 1 1/2" FVC wip adaptors		7	44	3- 1 1/2 x 3/4 FVC bushings		4	41

Dear Customer: We require our servicemen to get your approval of their worksheet upon completion of your job. This protects you and us against misunderstandings. Please examine the time and material listed above, and if you find everything satisfactory, indicate approval by your signature in the space provided below. If our service in any way proves unsatisfactory, please call our office immediately. COMPLAINTS MUST BE MADE WITHIN FIVE DAYS. Invoices are due and payable upon presentation; a 1 1/2% per month service charge will be added to past due accounts. We appreciate this opportunity to serve you and invite you to call on us at any time.

BILLED APR 22 1982

Customer approval

THIS IS YOUR INVOICE

211 Pasadena Ave., South Pasadena, Ca. 91030-2999 799-3115 682-2708

Material	7238.00
Sales Tax	43.43
Labor	1270.94
Permits	
Equipment	
Truck Expense	200
TOTAL \$	8982.37

Repairs
Remodeling

MORROW & HOLMAN PLUMBING, INC.

PLUMBING • HEATING • AIR CONDITIONING

Sprinklers
Water Conditioning
Sewer Cleaning

JOB 26948

PAGE 2

Date 4-22-82

Sched.

Name War Memorial Building

Bill to City of South Pasadena

Job Address

Address

City/Zip

(h) Phone

City/Zip

(h) Phone

(o) Phone

(o) Phone

Job Description

Special Instructions

Date	Man	Hrs.	Work Accomplished	Completed					
				Yes	No				
			MATERIAL LIST CONTINUATION:						
			3- 1/2" PVC mip adapters	1.71	24- 1/2" plastic pipe clamps	10	80		
			5- 3/4" PVC mip adapters	3.20	6- 3/4" plastic pipe clamps	3	12		
			3- 3/4" PVC tees	2.94	1-roll solder	14	64		
			3- 3/4" PVC ells	2.40	1- can flux	4	34		
			180'- 1 1/2" PVC pipe	169.20	3- basin cocks	47	40		
			Total Hours						
Material Used				Cost		Material Used		Cost	
2-rolls plumbers tape				4 24		3- cockhole covers		8 55	
1- wallmount P/P faucet				38 32		1- 1/2" gate valve		7 25	
1- 3/4" tee				1 18		3- 3/4" gate valves		28 35	
2- 3/4 x 1/2 tees				3 72		4- 3/4" galv ells		2 60	
16- 3/4 ells				11 84		2- 3" x 3/4" galv nipples		2 28	
28- 1/2" ells				20 72		6- tapped hi co ells		8 70	

Dear Customer: We require our servicemen to get your approval of their worksheet upon completion of your job. This protects you and us against misunderstandings. Please examine the time and material listed above, and if you find everything satisfactory, indicate approval by your signature in the space provided below. If our service in any way proves unsatisfactory, please call our office immediately. COMPLAINTS MUST BE MADE WITHIN FIVE DAYS. Invoices are due and payable upon presentation; a 1 1/2% per month service charge will be added to past due accounts. We appreciate this opportunity to serve you and invite you to call on us at any time.

MATERIAL CONTINUES ON PAGE 3

BILLED APR 22 1982

Customer approval _____

211 Pasadena Ave., South Pasadena, Ca. 91030-2999 799-3115 682-2706

THIS IS YOUR INVOICE

Material	
Salas Tax	
Labor	
Permits	
Equipment	
Truck Expense	
TOTAL \$	

Repairs
Remodeling

MORROW & HOLMAN PLUMBING, INC.

PLUMBING • HEATING • AIR CONDITIONING

Sprinklers
Water Conditioning
Sewer Cleaning

JOB 26948

PAGE 3

4-22-82

Date
Sched.

War Memorial Building

City of South Pasadena

Name Bill to
Job Address Address
City/Zip (h) Phone City/Zip (h) Phone
..... (o) Phone (o) Phone
Job Description

Special Instructions

Date	Man	Hrs.	Work Accomplished	Completed	
				Yes	No
			PAGE 3 of MATERIAL LIST:		
6- brass 1/2 x close nipples		6.90	3- dropear ells	4	62
6- angle stops & supplies		46.62	60'- 1/2" copper pipe	28	80
1- 1/2" mip adapter		.63	6- 1/2" plastic pipe clamps	2	70
3- 3/4" mip adapters		1.92	2- angle stops	10	70
			2- supplys	5	70
Total Hours					

Material Used		Cost	Material Used		Cost
1- 1/2" tee		78	1- ballcock washer		25
3- 1/2" couplings		1 23	1- cone washer		20
2- 3/4 x 1/2" brass nipples		7 32	gas flux, solder		7 50
2- 1/2" caps		1 74			
14- 1/2" ells		21 56	TOTAL MATERIAL		807 95 804.23
4- 1/2" tees		3 24	LESS 10%		80 80 793.81

Dear Customer: We require our servicemen to get your approval of their worksheet upon completion of your job. This protects you and us against misunderstandings. Please examine the time and material listed above, and if you find everything satisfactory, indicate approval by your signature in the space provided below. If our service in any way proves unsatisfactory, please call our office immediately. COMPLAINTS MUST BE MADE WITHIN FIVE DAYS. Invoices are due and payable upon presentation; a 1 1/2% per month service charge will be added to past due accounts. We appreciate this opportunity to serve you and invite you to call on us at any time.

Customer approval

BILLED APR 23 1982

211 Pasadena Ave., South Pasadena, Ca. 91030-2999 799-3115 682-2703

THIS IS YOUR INVOICE

Material	727 15 723.81
Sales Tax	43 63 767.43
Labor	1,270 94
Permits	
Equipment	
Truck Expense	2 00
TOTAL \$	2,043 72

JOLINS RETIRED 12-30-83
BILL TERIN HIRED 11-21-83
RESIGNED 9-14-84

1

CITY OF SOUTH PASADENA

1414 Mission Street • South Pasadena • California 91030 • 799-9101
PLANNING & BUILDING DIVISION

PLUMBING PERMIT

Building Address <u>1416 EL CENTRO</u>		
Owner <u>FIRST ARROYO BANK</u>		
Mailing Address <u>1416 EL CENTRO</u>		
City <u>SO PAS</u>	Zip <u>91030</u>	Tel.
Contractor <u>MORROW + HOLMAN PLUMBING</u>		
Address <u>211 PASADENA AVE</u>		
City <u>SO PAS</u>	Zip <u>91030</u>	Tel. <u>799-3115</u>
State Lic. & Classif. <u>321793</u>		City Lic. No. <u>321793</u>

LICENSED CONTRACTOR'S DECLARATION

I hereby affirm that I am licensed under provisions of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code, and my license is in full force and effect.

OWNER-BUILDER DECLARATION

I hereby affirm that I am exempt from the Contractor's License Law for the following reason:

- ☐ I, as owner of the property, or my employees with wages as their sole compensation, will do the work, and the structure is not intended or offered for sale.
- ☐ I, as owner of the property, am exclusively contracting with licensed contractors to construct the project.
- ☐ I am exempt under Sec. _____, B. & P. C. for the reason: _____

Date _____ Owner _____

WORKERS' COMPENSATION DECLARATION

I hereby affirm that I have a certificate of consent to self-insure, or a certificate of Workers' Compensation Insurance, or a certified copy thereof, (Sec. 3800, Labor Code.)

Policy No. _____ Company _____

- ☐ Copy is filed with the city. ☐ Certified copy is hereby furnished.

CERTIFICATE OF EXEMPTION FROM WORKERS' COMPENSATION INSURANCE

(This section need not be completed if the permit is for one hundred dollars (\$100) or less.)

I certify that in the performance of the work for which this permit is issued, I shall not employ any person in any manner so as to become subject to the Workers' Compensation Laws of California.

NOTICE TO APPLICANT: If, after making this Certificate of Exemption you should become subject to the Workers' Compensation provisions of the Labor Code, you must forthwith comply with such provisions or this permit shall be deemed revoked.

I certify that I have read this application and state that the above information is correct. I agree to comply with all city and county ordinances and state laws relating to building construction, and hereby authorize representatives of this city to enter upon the above-mentioned property for inspection purposes.

Signature of Applicant _____ Date _____

Mailing Address _____

City, State, Zip _____

APPLICATION FOR A
PLUMBING PERMIT
BUILDING DIVISION • CITY OF SOUTH PASADENA, CALIFORNIA
TELEPHONE 799-9101

PROPOSED USE	USE ZONE	
NO. EACH FIXTURE	NO. EACH FIXTURE	NO. EACH FIXTURE
BATHTUBS	ACC. SINKS	WASHING MACHINES
STALL SHOWERS	FLOOR SINKS AND DRAINS	WATER HEATERS
2 LAVATORYS	"P" TRAPS	VENTS
2 WATER CLOSETS	GARBAGE DISPOSALS	1 WATER PIPE
URINALS	DISHWASHERS	SPRINKLER SYSTEM
KITCHEN SINKS	LAUNDRY TRAYS	DRINKING FOUNTAINS

TOTAL FOR ABOVE FIXTURES	@ 4.00	\$
SAND OR GREASE TRAPS	@ 5.00	\$
GAS PIPE SYSTEM, 1-5 OUTLETS	5.00	\$
+ EACH ADDITIONAL OUTLET	1.00	\$
SOIL OR VENT PIPE ALTER OR REPAIR	4.00	\$
DILUTING TANK OR WATER SOFTENER	7.00	\$
BUILDING DRAIN, ALTER OR REPAIR	8.00	\$
SEWERS, CESSPOOLS, SEPTIC TANKS	@ 12.00	\$ 1200
SWIM POOL	20.00	\$
ADDITIONAL INSPECTION	@ 10.00	\$
INVESTIGATION FEE		\$
OTHER		\$
BLANKET PERMIT	6.00	\$
PLUMBING PERMIT	5.00	\$ 500

TOTAL FEE \$ 1700.00

VALUATION OF ABOVE WORK	\$
P. C. FEE AND VALIDATION	\$
PERMIT FEE	\$
INVESTIGATION FEE	\$
TOTAL FEE	\$ 17.00
PROCESSED BY <u>912</u>	SPEC. COND.
PERMIT NO. <u>182</u>	VALIDATION
	DATE <u>8/6/82</u>

WHEN PROPERLY VALIDATED, THIS FORM CONSTITUTES A PERMIT
TO DO THE WORK DESCRIBED HEREON.

INSPECTOR COPY

CONST. HRS. 8 AM - 7 PM ONLY
ORD. NO. 1582

Department of PUBLIC WORKS

2

CITY OF SOUTH PASADENA

1414 Mission Street • South Pasadena • California 91030 • 799-9101

PLANNING & BUILDING DIVISION

PLUMBING PERMIT

Building Address <u>1416 EL CENTRO</u>		
Owner <u>FIRST ARIZONA BANK</u>		
Mailing Address		
City <u>SO PAS</u>	Zip <u>91030</u>	Tel.
Contractor <u>MORROW & HOLMAN PLUMBING</u>		
Address <u>266 MONTELEONE RD</u>		
City <u>SO PAS</u>	Zip <u>91030</u>	Tel. <u>799-3115</u>
State Lic. & Classif.	City Lic. No.	

LICENSED CONTRACTOR'S DECLARATION

I hereby affirm that I am licensed under provisions of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code, and my license is in full force and effect.

OWNER-BUILDER DECLARATION

I hereby affirm that I am exempt from the Contractor's License Law for the following reason:

- ☐ I, as owner of the property, or my employees with wages as their sole compensation, will do the work, and the structure is not intended or offered for sale.
- ☐ I, as owner of the property, am exclusively contracting with licensed contractors to construct the project.
- ☐ I am exempt under Sec. _____, B. & P. C. for the reason: _____

Date _____ Owner _____

WORKERS' COMPENSATION DECLARATION

I hereby affirm that I have a certificate of consent to self-insure, or a certificate of Workers' Compensation Insurance, or a certified copy thereof. (See, 3800, Labor Code.)

Policy No. 92-052432 Company STATE FARM

- ☒ Copy is filed with the city. ☐ Certified copy is hereby furnished.

CERTIFICATE OF EXEMPTION FROM WORKERS' COMPENSATION INSURANCE

(This section need not be completed if the permit is for one hundred dollars (\$100) or less.)

I certify that in the performance of the work for which this permit is issued, I shall not employ any person in any manner so as to become subject to the Workers' Compensation Laws of California.

NOTICE TO APPLICANT: If, after making this Certificate of Exemption you should become subject to the Workers' Compensation provisions of the Labor Code, you must forthwith comply with such provisions or this permit shall be deemed revoked.

I certify that I have read this application and state that the above information is correct. I agree to comply with all city and county ordinances and state laws relating to building construction, and hereby authorize representatives of this city to enter upon the above-mentioned property for inspection purposes.

Signature of Applicant [Signature] Date 1-16-84

Mailing Address 266 MONTELEONE RD

City, State, Zip SO PAS 91030

APPLICATION FOR A PLUMBING PERMIT
BUILDING DIVISION • CITY OF SOUTH PASADENA, CALIFORNIA
TELEPHONE 799-9101

PROPOSED USE		USE ZONE	
NO. EACH FIXTURE		NO. EACH FIXTURE	
BATHTUBS	1	BATH ACC. SINKS	
STALL SHOWERS		FLOOR SINKS AND DRAINS	2
3 LAVATORYS		"P" TRAPS	
3 WATER CLOSETS		GARBAGE DISPOSALS	1
URINALS		DISHWASHERS	
1 KITCHEN SINKS		LAUNDRY TRAYS	1

TOTAL FOR ABOVE FIXTURES	@ 4.00	\$ 40.00
SAND OR GREASE TRAPS	@ 5.00	\$
GAS PIPE SYSTEM, 1-5 OUTLETS	5.00	\$
+ EACH ADDITIONAL OUTLET	1.00	\$
SOIL OR VENT PIPE ALTER OR REPAIR	4.00	\$
DILUTING TANK OR WATER SOFTENER	7.00	\$
BUILDING DRAIN, ALTER OR REPAIR	8.00	\$
SEWERS, CESSPOOLS, SEPTIC TANKS	@ 12.00	\$ 120.00
SWIM POOL	20.00	\$
ADDITIONAL INSPECTION	@ 10.00	\$
INVESTIGATION FEE		\$
OTHER		\$
BLANKET PERMIT	6.00	\$
PLUMBING PERMIT	5.00	\$ 50.00
TOTAL FEE \$		65.00

VALUATION OF ABOVE WORK	\$ 7000
P. C. FEE AND VALIDATION	\$
PERMIT FEE	\$ 12
INVESTIGATION FEE	\$ 4878
PROCESSED BY	SPEC. COND.
PERMIT NO. 4878	VALIDATION
	DATE 1/16/84

WHEN PROPERLY VALIDATED, THIS FORM CONSTITUTES A PERMIT TO DO THE WORK DESCRIBED HEREON.

Department of PUBLIC WORKS

INSPECTOR COPY
CONST. HRS. 8 AM - 7 PM ONLY
ORD. NO. 1582

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

NAME SOUTH PASADENA, CITY OF
ADDRESS 1424 Mission St.
CITY South Pasadena 91030

PREVIOUS CARDS DESTROYED

PREVIOUS BALANCE →

132 34

	DATE	FOLIO	DETAIL	DEBIT	CREDIT	BALANCE	PREVIOUS BALANCE
1	3/1/76	CM	9081	<44 82>		87 52	132 34
2	3/8/76	Inv	91 91	48 00		39 52	87 52
3	3/8/76	ck			47 52	48 00	135 52
4	4/12	ck			48 00	—	48 —
5	5/11	Inv	227	6 72		6 72	—
6	5/20	Inv	559	25 44		32 16	6 72
7	6/2	ck			32 16	—	32 16
8	6/15	Inv	651	40 —		40 —	—
9	7/13	ck			40 00	—	40 00
10	7/16	ck			50 87	48 57	40 00
11	8/12	I	1580	63 98		63 98	—
12	8/30	I	1205	158 47		222 45	63 98
13	9/8	I	1556	85 83		308 28	222 45
14	9/10	ck			63 98	244 30	308 28
15	9/13	I	1676	22 09		266 39	244 30
16	9/30	I	1836	20 21		286 60	266 39
17	10/8	I	1843	43 54		330 14	286 60
18	10/11	ck			266 39	63 75	330 14
19	11/5	ck			63 75	—	63 75
20	3/23/77	I	3735	58 46		58 46	—
21	4/27	I	4047	55 25		113 71	58 46
22	5/9	C			58 46	55 25	113 71
23	6/6	C			55 25	—	55 25
24	6/6	I	4522	24 83		24 83	—
25	6/29	I	4730	50 45		55 28	24 83



SAFEGUARD BUSINESS SYSTEMS
LANSDALE, PA. LOS ANGELES - CHICAGO - ATLANTA
U.S.A.

ACCOUNTS RECEIVABLE LEDGER

NAME

ADDRESS

CITY

So Pasadena, Calif
1424 Mission St
So Pasadena

799-9101

PREVIOUS BALANCE →

55 28

	DATE	FOLIO	DETAIL	DEBIT	CREDIT	BALANCE	PREVIOUS BALANCE
1	7/12	C			24 83	30 45	30 45
2	8/12	C			20 15		20 15
3	8/29	L	5587	35 25		35 25	
4	9/16	L	5636	22 50		57 75	35 25
5	10/11	C			57 75		57 75
6	11/15	L	6391	24 97		24 97	
7	12/12	L	6596	12 00		36 97	24 97
8	12/14	C			24 97	12 00	36 97
9	12/19	L	6546	326 17		338 17	12 00
10	1/16/78	C			338 17	-	338 17
11	2/23/78	L	7380	61 13		61 13	
12	3/3	C			61 13	-	61 13
13	3/6	L	8063	24 00		24 00	
14	3/9	L	8019	204 81		228 81	24 00
15	3/13	L	8135	162 98		391 79	228 81
16	3/15	L	7710	45 00		436 79	391 79
17	3/21	L	8251	51 91		488 70	436 79
18	3/23	L	8272	66 06		554 76	488 70
19	4/4	L	8402	42 58		597 34	554 76
20	4/7	C			324 22	273 12	597 34
21	4/25	L	8611	24 10		297 12	273 12
22	5/9	C			205 56	91 56	297 12
23	5/9	L	8754	39 65		131 31	91 56
24	5/20	L	9018	25 00		156 31	131 31
25	6/10	L	9223	36 86		193 07	156 31



SAFEGUARD BUSINESS SYSTEMS
LANSDALE, PA. LOS ANGELES-CHICAGO-ATLANTA
FORM NO. ARL-7 B

ACCOUNTS RECEIVABLE LEDGER

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

NAME So. Pasadena, City of
ADDRESS 1424 Mission St.
CITY So. Pasadena Ca. 91030

799-9101

BALANCE FORWARD →

19307

	DATE	FOLIO	DETAIL	✓	DEBIT	CREDIT	BALANCE	PREVIOUS BALANCE
1	6-12-78					153 21	39 86	19307
2	6-13-78	D	9333		45 61		85 47	39 86
3	6-20-78	D	9470		24 00		109 47	85 47
4	7/10	C				80 47	29 00	109 47
5	7/13	D	9771		36 94		63 94	29 00
6	7/24	D	9854		33 34		97 38	63 94
7	8/8	C				60 94	36 34	97 38
8	8/24	D	Water Dept 8364		26 60		62 94	36 34
9	9/12	C				35 34	29 60	62 94
10	9/12	C				26 60	3 01	29 60
11	9/21	D	8722		44 43		47 43	3 01
12	9/28	D	8793		56 99		104 42	47 43
13	9/28	D	8788		65 47		169 89	104 42
14	10/4	D	8267		750 00		919 89	169 89
15	10/11	C				44 43	875 46	919 89
16	10/13	D	9015		39 09		914 55	875 46
17	10/19	D	9058		24 00		938 55	914 55
18	10/30	D	9207		39 00		977 55	938 55
19	11/7	C				101 55	876 00	977 55
20	11/7	D	9465		131 15		950 15	876 00
21	12/7	D	9887		20 00		978 15	950 15
22	12/12	C				158 15	820 00	978 15
23	1/4/79	D	10434		51 04		869 04	820 00
24	1/5	C				39 00	812 04	869 04
25	1-8	C				28 00	784 04	812 04

NAME
ADDRESS
CITY

SO. PASADENA, CITY OF
1424 Mission ST.
So. Pasadena, CA 91030

799-9101

BALANCE FORWARD →

784.04

	DATE	FOLIO	DETAIL	✓	DEBIT	CREDIT	BALANCE	PREVIOUS BALANCE
1	1/22/79	J	10690		2332		827.36	154.04
2	1-30-79	J	10775		88.74		896.10	827.36
3	2/3	J	10875		18.00		914.10	896.10
4	2/13	C				54.36	259.74	914.10
5	3/9	C		K	3007	856.74	-	856.74
6	4-11	J	11795		65.08		65.08	-
7	5-8	C				65.08	-	65.08
8	5-30	J	13288		29.50		29.50	-
9	7-10	C/Ch		K	4007	25.00	-	29.50
10	8-3	J	13020		62.20		62.20	-
11	9-11	C				62.20	-	62.20
12	9-18	J	13610		8.16		8.16	-
13	10-1	J	13773	K	24.19		32.35	8.16
14	10-1	J	13713	K	113.90		146.25	32.35
15	10-9	C				8.16	138.09	146.25
16	10-22	J	14008		102.95		241.04	138.09
17	10-26	J	14097		26.00		267.04	241.04
18	10-31	J	13692		407.46		674.50	267.04
19	11-8-79	J	14276		36.00		710.50	674.50
20	11-14	C				504.41	206.09	710.50
21	12-11	C				36.00	N/O 170.09	206.09
22	12-23	W/O (ev)		K	170.09		-	170.09
23	1-22	J	15112		129.30		129.30	-
24	1-22	J	15099		25.01		104.31	129.30
25	2-12	C				154.31	-	104.31



SAFEGUARD BUSINESS SYSTEMS
LANSDALE, PA. LOS ANGELES CHICAGO ATLANTA

ACCOUNTS RECEIVABLE LEDGER

FORM NO. APL-7 PRINTED IN U.S.A.

NAME
ADDRESS
CITY

SO. PASADENA, CITY OF
1424 Mission St.
So. Pasadena, CA 91030

799-9101

BALANCE FORWARD →

DATE	FOLIO	DETAIL	DEBIT	CREDIT	BALANCE	PREVIOUS BALANCE
1 2-21-80	J	15480	5900		5900	
2 2-21	J	15615 <i>sent dup 7-1-80</i>	3477		9377	5900
3 2-27	J	15630	3281		12658	9377
4 3-11-80	C			91 81	3477	12658
5 3-20-80	J	15834	269 28		30405	3477
6 3-20-80	J	15920	3300		33205	30405
7 4-3	I	16063	45 15		582 20	33705
8 4-7-80	C			334 28	4793	33720
9 4-11-80	J	16161	3239		8031	3722
10 5-12-80	C			2 77 54	277	8031
11 5-12-80	W/O		277		-	277
12 6-9-80	I/C	16631	4457 20	4457 20	-	-
13 6-25-80	I	17071	8000		8000	-
14 7-2-80	REF W/O		OK 277		8277	8000
15 7-2-80	Credit to So Pas Library				11477	8277
16 7-9-80	I	17395	11 59	7150	12636	11477
17 7-14-80	I	17408	6527		19163	12636
18 7-14-80	I	17413	8050		27213	19163
19 8-8-80	C			111 63	16050	27213
20 8-28-80	C	TELEPHONE ENGINEERS Apts	16050		-	16050
21 9-10-80	I	Police 18159	7632		7632	-
22 9-23-80	I	ENGINEERS City 18328	6868		14500	7632
23 10-2-80	I	18486	1060		15560	14500
24 10-7-80	C			8692	6868	15560
25 10-23-80	I	City Hall 18769	9096		15964	6868



SAFEGUARD BUSINESS SYSTEMS
PHILADELPHIA, LOS ANGELES, CHICAGO, ATLANTA

ACCOUNTS RECEIVABLE LEDGER

FORM NO. 101-A-1

NAME SOUTH PASADENA, CITY OF
 ADDRESS 1424 Mission St
 CITY So Pasadena CA 91030

799-9101

BALANCE FORWARD →

159.64

	DATE	FOLIO	DETAIL	✓	DEBIT	CREDIT	BALANCE	PREVIOUS BALANCE
1	11-10-80	C				170.24	<1660>	159.64
2	11-20-80	I	19144	PA	39.00	W/O 7.50 + 11.50	28.40	<1040>
3	11-25-80	I	19196	PA	64.85		93.25	28.40
4	12-15-80	I	19428	PA	32.70		125.95	93.25
5	12-17-80	I	ED RISTON 19554	PA	198.22		324.17	125.95
6	12-17-80	I	19605 FIRE DEPT	PA	28.00		352.17	324.17
7	1-5-81	C				198.22	153.95	352.17
8	1-13-81	C/WO			<750>	146.45	700	153.95
9	1-22-81	I	20050	PA	5.19		5.19	-
10	1-22-81	I	20054	PA	45.11		20.30	5.19
11	1-23-81	I	20053	PA	9.02		29.32	20.30
12	2-2-81	I	19834	PA	480.00		509.32	29.32
13	2-10-81	C				29.32	480.00	509.32
14	2-4-81	I	20624	PA	11.93		491.93	480.00
15	3-10-81	C				480.00	11.93	491.93
16	3-19-81	I	20807	PA	33.00		44.93	11.93
17	3-26-81	I	20867	PA	32.98		77.91	44.93
18	3-30-81	I	20461	PA	330.11		408.02	77.91
19	4-6-81	C				44.93	363.09	408.02
20	4-6-81	I	20986	PA	44.20		427.89	363.09
21	4-20-81	I	21154	PA	18.60		445.69	427.89
22	5-7-81	I	21382		30.65		476.34	445.69
23	5-12-81	C				445.69	30.65	476.34
24	6-9-81	C				30.65	-	30.65
25	6-22-81	I	21037		24.50		24.50	-

NAME SOUTH PASADENA, CITY OF
 ADDRESS 1414 Mission St.
 CITY So. Pasadena, Calif. 91030

799-9101

BALANCE FORWARD →

2450

DATE	FOLIO	DETAIL	DEBIT	CREDIT	BALANCE	PREVIOUS BALANCE
1 7-3-81	C			2450	- 0 -	2450
2 7-13-81	I	22255	12161		12161	- 0 -
3 7-14-81	I	22171	2898		14969	12161
4 7-14-81	I	22318	11640		26609	14969
5 8-10-81	C			26609	- 0 -	26609
6 8-18-81	I	22883	2525		2525	- 0 -
7 8-24-81	I	22915	7518		10043	2525
8 9-4-81	C			7518	2525	10043
9 9-8-81	C			2525	- 0 -	2525
10 9-10-81	I	23220	7553		7553	- 0 -
11 9-22-81	I	23488	4362		11915	7553
12 10-13-81	C			11915	- 0 -	11915
13 10-16-81	I	23708	10950		10950	- 0 -
14 10-30-81	I	24078	10526		21476	10950
15 11-10-81	C			10950	16526	21476
16 11-13-81	L	24268	5066		15592	16526
17 11-23-81	L	24527	4037		19629	15592
18 11-23-81	L	24533	6713		26342	19629
19 12-8-81	C			17239	9103	26342
20 1-12-82	C	25273	2173	9103	2173	9103
21 1-20-82	L	25360	6526		8699	2173
22 1-26-82	C			6526	2173	8699
23 1-29-82	L	25232	5963		8136	2173
24 2-9-82	C			2173	5963	8136
25 2-15-82	L	25872	14561		20524	5963

NAME
ADDRESS
CITY

CITY OF SOUTH PASADENA, City of
1424 Mission St.
So. Pasadena, Calif. 91030

799-9101

BALANCE FORWARD →

20524

DATE	FOLIO	DETAIL	DEBIT	CREDIT	BALANCE	PREVIOUS BALANCE
1 3-8-82	L	26241	536		21060	20524
2 3-9-82	C			20524	536	21060
3 4-13-82	C			536	-	536
4 4-14-82	L	pd 5-11 24732✓	58800		58800	-
5 4-21-82	L	pd 5-11 26853✓	3324		62124	58800
6 4-21-82	L	pd 5-11 26863✓	2600		64724	62124
7 4-21-82	L	pd 5-11 26896✓	2044		66768	64724
8 4-24-82	L	26992✓	2912		69680	66768
9 5-11-82	S/C	26948✓	204018	2,707 86	2912	69680
10 5-18-82	S	27094✓	5267		8179	2912
11 8-30-82	S	28591✓	4300		12479	8179
12 9-30-82	W/O		(12479)		-	12479
13 1-17-83	S	pd 3-7 30835	5800		5800	
14 1-24	S	pd 3-7 31165	5700		11500	5800
15 1-26	S	pd 3-7 30358	4,620 73		473573	11500
16 2-16	S	pd 3-7 31591	4200		477773	473573
17 2-25	S	pd 4-12 31726	3623		481396	477773
18 2-25	S	pd 4-12 31727	719		482115	481396
19 3-2-83	trans.	bal. from S.P. Library	51562		533677	482115
20 3-2	from S.P. Library	31763	5800	X	539477	533677
21 3-7	S	31828	7400	X	546877	539477
22 3-7	S	pd 3-7 29177	7494		554371	546877
23 3-7	S	pd 3-7 29674	3864		558235	554371
24 3-7	C			5406 93	17542	558235
25 3-10	S	pd 4-12 31926	106 59		282 01	17542

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LAR 7-NC-25

ACCOUNTS RECEIVABLE LEDGER

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

NAME SOUTH PASADENA, CITY OF 799-9101
ADDRESS 1424 Mission St
CITY South Pasadena 91030

1414 MISSION - Police Dept

BALANCE FORWARD →

28201

	DATE	FOLIO	DETAIL	DEBIT	CREDIT	BALANCE	PREVIOUS BALANCE
1	4-4-83	I	32273	46 13		328 14	28201
2	4-12	C			208 01	120 13	328 14
3	5-6-83	3-1-83 from S. P. 31869		359 08		479 21	
4	5-6	C			479 21	-	479 21
5	6-2-83	Q/D	33037	28 37		28 37	
6	6-16-83	Q/D	33299	24 85		53 32	28 37
7	6-23-83	Q/D	Library 33380	54 46 56 78		107 78	53 32
8	7-12	C			107 78	-	107 78
9	8-9-83	D	34172	34 96		34 96	
10	9-12	C			34 96	-	34 96
11	9-15	Q/D	34827	115 47		115 47	
12	9-26	Q/D	35072	4 54		119 58	115 47
13	10-14	C			119 58	-	119 58
14	10-38	Q/D	35759	48 25		48 25	
15	11-2	Q	35676	25 08		73 25	48 25
16	11-7	Q/D	35872	88 08		161 31	73 25
17	11-16	Q	E-398	53 50		214 81	161 31
18	12-12	C			214 81	-	214 81
19	12-28	Q	37021	34 00		34 00	
20	12-30	Q	37057	21 43		55 43	34 00
21	1-23-84	Q	36696	624 00		679 43	55 43
22	2-3	C			679 43	-	679 43
23	2-6	Q	37669	36 50		36 50	
24	3-13	C			36 50	-	36 50
25	3-24	Q/D	38449	184 01		194 01	36 50



SAFEGUARD BUSINESS SYSTEMS
SAN ANTONIO SAN JOSE LOS ANGELES CHICAGO ATLANTA

ACCOUNTS RECEIVABLE LEDGER

FORM NO. 100

NAME
ADDRESS
CITY

SO. PASADENA CITY CO
1424 Mission Street
So. Pasadena, CA. 91030

70-9101

BALANCE FORWARD →

DATE	FOLIO	DETAIL	✓	DEBIT	CREDIT	BALANCE	PREVIOUS BALANCE
7/30/78	OC	—		4 30		190 97	
7/24/78	O	2854		33 54		224 41	190 97
7/28	J	8788		6547			
4-5-84		forward				184 01	
4-5	9/0	38607		51 51		235 52	184 01
4-6	C				184 01	51 51	23 52
5-11-84	C				51 51	—	51 51
5-16-84	D	39285		127 54		127 54	
5-30	D	37761		281 19		408 73	127 54
6-8	C				127 54	281 19	408 73
6-21	D	39931		36 50		317 69	281 19
6-27	9/0	40037		85 46		398 41	317 69
7-13	C				317 69	80 72	398 41
7-19	9/0	40314		350 00		430 72	80 72
7-19	D	40423		75 63		506 35	430 72
8-7	C				506 35	—	506 35
8-15	9/0	40884		160 73		160 73	
8-30	9/0 ^{cs}	41378		81 35		234 98	160 73
9-11	C				160 73	74 25	234 98
9-19	Spd ¹¹⁻¹³	41756		67 00		141 25	74 25
10-4-84	9/0 ¹¹⁻¹³	41730		561 97		671 87	141 25
10-8	9/0 ¹¹⁻¹³	41957		27 06		696 94	671 87
10-11	C				74 25	622 69	696 94
10-17	Spd ¹¹⁻¹³	42300		38 00		660 69	622 69
10-31	D	42613		55 37		716 06	660 69



SAFEGUARD BUSINESS SYSTEMS
MINNEAPOLIS, PA. LOS ANGELES-CHICAGO-ATLANTA

ACCOUNTS RECEIVABLE LEDGER

FORM NO. ARL-7 PRINTED IN U.S.A.

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

NAME SOUTH PASADENA, CITY OF
 ADDRESS 1424 Mission St
 CITY South Pasadena CA 91030

799-9101

previous cards are in closed file

BALANCE FORWARD →

716.06

	DATE	FOLIO	DETAIL	✓	DEBIT	CREDIT	BALANCE	PREVIOUS BALANCE
1	11-5-84	9/0	42635		48 ³⁵ 49 ⁴⁵		764.44	716.06
2	11-8	9/0	41630 *		30 ⁵⁴ 80 ⁷⁹		844.78	764.44
3	11-8	2	42754		57.62		902.40	844.78
4	11-13	C				660.69	241.71	902.40
5	11-14	9	42832		38.00		279.71	241.71
6	12-4	9/0	43375		44 ⁷⁰ 45 ⁴⁰		324.41	279.71
7	12-13	C				199.37	125.04	324.41
8	12-17	9/0	43524		112 ⁴⁷ 115 ²¹		237.46	125.04
9	12-20	9/0	43726		63 ⁵⁷ 66 ²²		301.03	237.46
10	1-11-85	C				220.69	80.34	301.03
11	1-21	9	43812		624.00		704.34	80.34
12	1-21	2	44365		42.15		746.49	704.34
13	1-23	9	44423		43.50	✓	789.99	746.49
14	1-24	9	44466		72.00		861.99	789.99
15	1-30-85	2	44548		118 ⁰³ 122 ³⁸	✓	980.02	861.99
16	1-30	2	44579		225 ⁷³ 241 ²⁵	✓	1205.75	980.02
17	2-6-85	9/0	44708		230 ⁰⁴ 245 ⁰²		1435.79	1205.75
18	2-12	C				781.65	654.14	1435.79
19	2-20	9	44575		1000.00		1654.14	654.14
20	2-20	9	44930		43.00		1697.14	1654.14
21								
22								
23								
24								
25								

MICHAEL B. MONTGOMERY

2460 HUNTINGTON DRIVE
SAN MARINO, CALIFORNIA 91108
TELEPHONE (818) 285-9711

April 8, 1985

John Keplinger
Executive Director
Fair Political Practices Commission
1100 "K" Street
Sacramento, California 95814

Dear John:

I know quite a bit about this matter and I would like to discuss it with the staff member assigned, unless of course that would be improper.

Very truly yours,



MICHAEL B. MONTGOMERY



MBM/jl
Enclosure

(dictated but not read)

State of California



Fair Political Practices Commission

P.O. BOX 807 • SACRAMENTO, 95804 • • • 1100 K STREET BUILDING, SACRAMENTO, 95814

Technical Assistance • • Administration • • Executive/Legal • • Enforcement • • Statements of Economic Interest
(916) 322-5662 322-5660 322-5901 322-6441 322-6444

April 5, 1985

Ronald J. Einboden
City Attorney for South Pasadena
Oliver, Stoever & Laskin
1000 Sunset Boulevard
Los Angeles, CA 90012

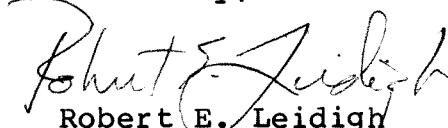
Re: Your Request for Advice
Our No. A-85-072

Dear Mr. Einboden:

I am in receipt of your letter requesting advice on behalf of Mr. Margrave. Because this agency does not administer Section 1090, et seq., of the Government Code, we will be unable to respond to your question with respect to those provisions of the law. That aspect of your inquiry should be addressed to the Attorney General.

Since receipt of your letter on March 25th we received a letter on March 28th from a Mr. Thomas Biesek of South Pasadena. I enclose a copy for your review and comment since it raises certain issues as to the facts underlying the request for advice. I await your response so that I may proceed with the analysis.

Sincerely,


Robert E. Leidigh
Counsel
Legal Division

REL:plh
Enclosure
cc: Thomas Biesek

Ms. Barbara Milman, General Counsel
Fair Political Practices Commission
P.O. Box 807
Sacramento, Ca 95804

F P P C
MAR 28 8 26 AM '85

03/23/85
THOMAS BIESEK
324 Hawthorne
South Pasadena
818-799-0202

Dear Ms. Milman; I would like to bring to your attention a few items that I feel are of concern in a matter currently under review by your office.

Last week South Pasadena City Attorney Ronald J Einboden sent you a "Request for Advise" Letter. I would like to add some additional information to his letter for your consideration.

(1) Prior to Councilman Margrave's April 1982 election, the City of South Pasadena did business with a number of plumbing businesses. Since his election that business has almost exclusively been given to Morrow & Holman. [SEE ATTACHED DOLLAR COMPARISON].

(2) This differs substantially from a FPPC ruling given to the City of Bishop (FPPC file# A-82-150) in regard to a City Council member who owned a automotive repair shop that was being used both before and after his election **on a non-exclusive basis.**

(3) In 1983 Councilman Margrave voted to sell a parcel of City owned land to

Ms. Barbara Milman, General Counsel
Fair Political Practices Commission
P.O. Box 807
Sacramento, CA 95804

Re: Request for Advise Letter

Dear Ms. Milman:

I am the City Attorney for the City of South Pasadena and would request an Advice letter on behalf of City Councilmember, David L. Margrave as to whether there would be a conflict of interest pursuant to Government Code Section 87100 et seq. in the event the City of South Pasadena were to continue to purchase plumbing supplies and services from Mr. Margrave's corporation.

The facts are as follows:

1. Mr. Margrave became a councilmember in 1982.
2. Mr. Margrave and his wife are the sole owners of the stock of Morrow & Holman Plumbing, Inc., and became the owners of said corporation in approximately December of 1976.
3. The City of South Pasadena has been obtaining plumbing services and supplies from Morrow & Holman Plumbing for more than 50 years.
4. Morrow & Holman Plumbing continually furnished plumbing services and supplies to the City of South Pasadena, on a periodic or on an as required basis, since Mr. Margrave became the owner.
5. Plumbing services and supplies are purchased by the City of South Pasadena in accordance with its Resolution No. 5470, Purchasing Rules and Regulations, which resolution was adopted by Ordinance No. 1779. Copies of these documents are attached.
6. Typically, purchases of services and supplies are made by City Staff members known, available sources or, depending upon the dollar value, bids are obtained.
7. Neither Mr. Margrave nor the City Council is involved in the actual negotiation of these purchases.
8. If and when periodic purchases for supplies and services are made, the payment for these supplies and services is made by City warrant. Prior to payment of any City warrant, the Director of Finance submits to the City Council all warrants for a particular period of time. Typically, the City Council then votes, as a consent item, to approve the warrants unless one or more of the warrants are removed for special consideration by the City Council.
9. With respect to the dollar limits contained in Government Code Section 87103, it can be assumed that Mr. Margrave has a direct or indirect investment in the corporation worth more than \$1,000 and that the corporation is a source of income to him in excess of \$250 per year and that he is a director, officer and holds a position of management in the corporation.

If you require further facts concerning this request, kindly contact the undersigned. Also, would you confirm whether or not your Advice Letter addresses the provisions of Government Code Section 1090? It would be appreciated if you would furnish your Advise Letter at the earliest possible date.

Very Truly yours,

Ronald J. Einboden
City Attorney, South Pasadena, CA

DOLLAR COMPARISION BEFORE & AFTER APRIL 1982 ELECTIONCOUNCILMAN DAVID MARGRAVE

<u>BEFORE ELECTION</u>	<u>DOLLAR AMOUNT</u>	<u>AFTER ELECTION</u>	<u>DOLLAR AMOUNT</u>
JULY 1980	\$111.63	APRIL 1982	\$2,707.86
SEPT 1980	\$ 86.92	FEB 1983	\$5,406.93
OCT 1980	\$170.24	MARCH 1983	\$ 208.01
DEC 1980	\$146.45	APRIL 1983	\$ 479.21
JAN 1981	\$ 29.32	JUNE 1983	\$ 107.78
FEB 1981	\$480.00	AUG 1983	\$ 34.96
MARCH 1981	\$ 44.93	SEPT 1983	\$ 119.58
APRIL 1981	\$445.69	NOV 1983	\$ 214.81
MAY 1981	\$ 30.65	JAN 1984	\$ 679.43
JUNE 1981	\$ 24.50	FEB 1984	\$ 36.50
JULY 1981	\$266.09	MARCH 1984	\$ 184.01
AUG 1981	\$ 25.25	APRIL 1984	\$ 51.51
SEPT 1981	\$119.15	MAY 1984	\$ 127.54
OCT 1981	\$109.50	JUNE 1984	\$ 317.69
NOV 1981	\$172.39	JULY 1984	\$ 506.35
JAN 1982	\$ 21.73	AUG 1984	\$ 180.98
FEB 1982	\$205.24	SEPT 1984	\$ 660.69
MARCH 1982	\$ 5.36	NOV 1984	\$ 199.37
ELECTED 4/82			
	TOTAL		TOTAL
	\$2495.04		\$12,222.41
PRIOR MONTHS		JAN 1985	\$ 220.87
IN CITY VAULT		FEB 1985	\$ 761.65
		MARCH 1985	\$1,386.76
			TOTAL
			\$2,369.76
			GRAND TOTAL
			\$14,591.69

NOTE 3 MONTH TOTAL FOR 1985 IS ALMOST EQUAL TO THE TOTALS
FOR 1980 THRU 1982!!

ALL DOLLAR FIGURES PROVIDED BY FINANCE DIRECTOR KEIL'S OFFICE. (Mrs Frient).

State of California



Fair Political Practices Commission

P.O. BOX 807 • SACRAMENTO, 95804 • • • 1100 K STREET BUILDING, SACRAMENTO, 95814

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(916) 322-5662 322-5660 322-5901 322-6441 322-6444

April 5, 1985

Ronald J. Einboden
City Attorney for South Pasadena
Oliver, Stoever & Laskin
1000 Sunset Boulevard
Los Angeles, CA 90012

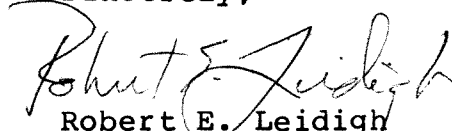
Re: Your Request for Advice
Our No. A-85-072

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Since receipt of your letter on March 25th we received a letter on March 28th from a Mr. Thomas Biesek of South Pasadena. I enclose a copy for your review and comment since it raises certain issues as to the facts underlying the request for advice. I await your response so that I may proceed with the analysis.

Sincerely,


Robert E. Leidigh
Counsel
Legal Division

REL:plh
Enclosure
cc: Thomas Biesek

THOMAS W. STOEVER
RICHARD LASKIN
WILLIAM B. BARR
RONALD J. EINBODEN
CHARLES S. VOSE
CONNIE COOKE SANDIFER
ROBERTA S. KALLAN

LAW OFFICES
OLIVER, STOEVER & LASKIN
A PROFESSIONAL CORPORATION
1000 SUNSET BOULEVARD
LOS ANGELES, CALIFORNIA 90012
(213) 250-3043

OF COUNSEL:
NORMAN G. OLIVER

March 19, 1985

Ms. Barbara Milman, General Counsel
Fair Political Practices Commission
P. O. Box 807
Sacramento, California 95804

Re: Request for Advice Letter

Dear Ms. Milman:

I am the City Attorney for the City of South Pasadena and would request an Advice Letter on behalf of City Councilmember, David L. Margrave as to whether there would be a conflict of interest pursuant to Government Code Section 87100 et seq. in the event the City of South Pasadena were to continue to purchase plumbing supplies and services from Mr. Margrave's corporation.

The facts are as follows:

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2. Mr. Margrave and his wife are the sole owners of the stock of Morrow & Holman Plumbing, Inc., and became the owners of said corporation in approximately December of 1976.
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OLIVER, STOEVER & LASKIN

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Page 2

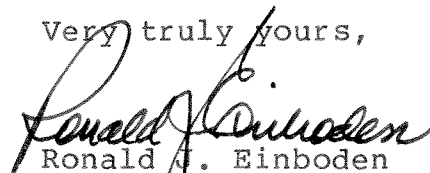
March 19, 1985

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6. Typically, purchases of services and supplies are made by City Staff members from known, available sources or, depending upon the dollar value, bids are obtained.
7. Neither Mr. Margrave nor the City Council is involved in the actual negotiation of these purchases.
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If you require further facts concerning this request, kindly contact the undersigned. Also, would you confirm whether or not your Advice Letter addresses the provisions of Government Code Section 1090? It would be appreciated if you would furnish your Advice Letter at the earliest possible date.

Very truly yours,



Ronald J. Einboden
of OLIVER, STOEVER & LASKIN

RJE:mc

Enclosures

cc: David L. Margrave, Councilman
John J. Bernardi, City Manager

FPPC Advice Requested on Conflict Issue

By ALAN MALTUN, Times Staff Writer

SOUTH PASADENA—The state Fair Political Practices Commission has been asked by the city to decide whether City Councilman David L. Margrave's votes to approve more than \$14,500 in payments to his own plumbing company since his election in 1982 are in violation of state conflict-of-interest laws.

Margrave's relationship with the plumbing firm has been well known and his votes in connection with it were made on the advice of a former city attorney, both Margrave and other city officials reported. But at a recent council meeting Councilman Lee Prentiss questioned the votes and Margrave's doing business with the city.

"There is new leadership in the city and there is a new city manager and a new city attorney," Prentiss said. "We can't have a shadow over the city."

City Atty. Ronald J. Einboden said Wednesday that he has asked the FPPC for a letter of advice on Margrave's possible conflict of interest under the state Political Reform Act of 1974. Einboden said he made his inquiry at the request of the Council.

Einboden, who took over as city attorney in October, said he is not certain whether former City Atty. Charles Martin's interpretation is correct. He said he plans to issue his own opinion after he receives the commission's response, which is expected in about two weeks.

City Stops Doing Business With Firm

Meanwhile, the city has stopped using the plumbing firm's services, city officials said.

Einboden said he also is reviewing other laws that may apply to the Margrave case. Specifically, Einboden said, he is studying the applicability of state Government Code Section 1090, which states that city officers "shall not be financially interested in any contract made by them in their official capacity" and that city officers shall not "... be purchasers at any sale or vendors at any purchase made by them in their official capacity."

A violation of section 1090 is punishable by a fine up to \$1,000 or by imprisonment and a ban on holding public office again, Einboden said.

Margrave, who is president of Morrow and Holman Plumbing Inc., which he owns with his wife Diane, has never made secret of his business relationship with the city or the fact he has voted to approve every plumbing bill to the city since his election. He has steadfastly denied that he has a conflict of interest.

"If you're narrow-minded, you can see a conflict," Margrave said. "If the FPPC rules I should not do plumbing (for the city) anymore, I will not. If it doesn't, I continue to work."

Margrave has voted on the billings since Martin

Please see FPPC, Page 6

FPPC: State's Opinion Sought on Question of Interest Conflict

Continued from Page 1

advised him shortly after Margrave's election that there would be no conflict of interest. Martin had cited a provision of Government Code Section 1091 stating that an official who has supplied goods or services to a "contracting party" for at least five years before assuming office has no conflict of interest in voting to continue that business.

The issue was raised anew by Prentiss at the March 6 council meeting. Prentiss objected to the payment of a \$1,386.76 bill to Morrow and Holman until the matter was resolved. Prentiss said in an interview that the council directed Einboden to conduct the inquiry.

City records show that from January, 1980, until Margrave was elected to the council in April, 1982, his company billed the city for \$2,495.04 in services. In roughly the same length of time after his election, the company's billings nearly quadrupled, to \$9,279.14, the records reveal. The company billings have totaled \$14,666.31 since Margrave assumed his council seat.

Margrave said his company's work for the city increased because, in an economy move in which he sided with the council majority, the city eliminated many employees, including those who used to do plumbing maintenance.

Margrave said he has bid against other firms for at least some of the work, but City Manager John Bernardi said Margrave's firm has never bid for a specific job or service contract and that Margrave's plumbing company has been the only plumbing concern to do business with the city since Margrave took office. Bernardi said that the city generally does not ask for bids for maintenance services and that it commonly uses outside firms for maintenance work including landscaping and painting.

FPPC spokesman Lynn Mont-

gomery said that under the state Political Reform Act, an official with more than a \$1,000 investment in a concern doing business with a city has a conflict of interest if the annual business the official does with the city amounts to at least \$100,000 or at least 1% of annual gross revenues, or to \$50,000 or 0.5% of annual net profits or 0.5% of the current assets or liabilities.

Margrave said his business grosses \$1 million a year and that the amount of business he receives from the city is a negligible part of his operation. If Margrave's figures are accurate, his firm's highest annual income from the city—\$6,571.28 in 1983—would be less

Los Angeles Times

than 1% of his firm's annual gross revenue.

Margrave placed ads in two local newspapers last week that included the full text of Einboden's letter to the FPPC. Margrave told he readers he would continue to deliver "the best possible service to the city."

Margrave said the conflict-of-interest question was raised for political purposes not by Prentiss or Wagner, but by the Committee for Responsive Government, a group of local citizens who have frequently criticized City Council actions. Its members include several former council candidates.

Margrave said he viewed the admonitions as political threats and decided to bring the issue to the fore with the ads now rather than wait for his political enemies to use it against him next year, when he plans to run for reelection.

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Los Angeles Times

FPPC: State's Opinion Sought on Question of Interest Conflict

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RESOLUTION NO. 5470

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF SOUTH PASADENA ESTABLISHING
PURCHASING RULES AND REGULATIONS

WHEREAS, the objectives of the following rules and regulations are to establish efficient procedures for the purchase of supplies, services and equipment at the lowest possible cost commensurate with quality needed, to exercise positive financial control over purchases and clearly define authority for the purchasing function;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of South Pasadena that it does hereby adopt the following rules and regulations for the administration of the City purchasing system:

RULE I. DEFINITION OF TERMS

The following terms, whenever used in these rules, shall be construed as follows:

SECTION 101. "Agency" and "Using Agency": Any department, agency, commission or other unit of the City government which derives its support wholly or in part from the City.

SECTION 102. "Bidders' List": A current file of sources of supply of articles for each category of commodities repetitively purchased for City use.

SECTION 103. "Lowest Responsible Bidder": In addition to price, the "lowest responsible bidder" will be determined after the following factors have been considered:

- (a) The ability, capacity and skill of the bidder to perform the contract or provide the service required;
- (b) Whether the bidder has the facilities to perform the contract or provide the service promptly, or within the time specified, without delay or interference;
- (c) The character, integrity, reputation, judgement, experience and efficiency of the bidder;
- (d) The bidder's record of performance of previous contracts or services;
- (e) The previous and existing compliance by the bidder with laws and ordinances relating to the contract or service;
- (f) The sufficiency of the financial resources and ability of the bidder to perform the contract or provide the service;
- (g) The quality, availability and adaptability of the supplies, equipment or services to the particular use required;
- (h) The ability of the bidder to provide future maintenance and service for the use of the subject of the contract;
- (i) The number and scope of conditions attached to the bid.

Robert J. ... 4/26/55

File # 1329-D

SECTION 104. "Open Market": Pertains to purchases or transactions that are executed without recourse to formalized purchasing procedure.

SECTION 105. "Purchases": Purchases of supplies, equipment and personal property shall include leases or rentals as well as transactions by which the City acquires ownership.

SECTION 106. "Purchase Order": A document which authorizes the delivery of specified merchandise or the rendering of certain service and the making of a charge for them.

SECTION 107. "Requisition": A written demand or request from the using agency to the Purchasing Officer for specified article or service.

SECTION 108. "Responsible Bid": An offer, submitted by a responsible bidder to furnish supplies, equipment or services in conformity with the specifications, delivery terms and conditions and other requirements included in the invitation for bids.

SECTION 109. "Responsible Bidder": A bidder who submits a responsible bid and who is not only financially responsible, but is possessed of the resources, judgment, skill, ability, capacity and integrity requisite and necessary to perform the contract according to its terms.

SECTION 110. "Services": Any and all services including but not limited to the following: the repair or maintenance of equipment, machinery and other city-owned or operated property; and towel cleaning services. The term does not include services rendered by City officers or employees nor professional and other contractual services which are in their nature unique and not subject to competition.

SECTION 111. "Specification": A formulated, definite and complete statement of what is required by the City of the vendor, in the way of composition, construction, utility, durability, efficiency, texture, shape form or dimension.

SECTION 112. "Standardization": The setting up of standards by which extent, quantity, quality, value, performance or service may be judged or determined.

SECTION 113. "Supplies and Equipment": Any and all articles or things which shall be furnished to or used by any agency, including all printing, binding, or publication or stationery, forms, laws, journals and reports.

RULE II. ORGANIZATION AND ADMINISTRATION

SECTION 201. "Who is the Purchasing Officer?": The Purchasing Officer is appointed by the City Manager, or, if no such position has been filled, he is the City Manager himself.

SECTION 202. "What is the Purchasing Officer's Responsibility?": The Purchasing Officer, in cooperation with all other City officers and employees is responsible for all purchases and contracts for supplies, services, equipment needed by the City of South Pasadena or any of its using agencies, subject to limitations imposed by the Code of the City of South Pasadena, these rules and other administrative regulations which may be promulgated for the internal management and operation of the purchasing system.

RULE III. OPEN MARKET PURCHASES

SECTION 301. "Competitive Bidding Required": All purchases of supplies, material, equipment and services shall be based whenever possible on competitive bids.

SECTION 302. "Limits on Open Market Transactions": If the amount of the expenditure is estimated to be less than Ten Thousand Dollars (\$10,000), the said order may be made in the open market, without observing the procedure prescribed in Rule IV.

SECTION 303. "Minimum Number of Quotations": Open market purchases for any item exceeding \$2,500.00 shall, whenever possible, be based on at least three quotations set forth on a prescribed quotation form and the bid shall be awarded to the lowest responsible bidder. If it is impossible or not feasible to obtain informal quotations as such, an accompanying statement should be made to that effect explaining the circumstances.

SECTION 304. "Rejections and Awards": The Purchasing Officer may reject any and all bids or quotations or the bid for any one or more commodities or service and shall otherwise award all purchases, insofar as practicable, to the lowest responsible bidder.

RULE IV. FORMALIZED PURCHASING PROCEDURE

SECTION 401. "When Sealed Bids and Contracts are Required": Except as otherwise provided in these Rules or by Ordinance, notices of sealed competitive bids shall be required on all purchases exceeding Ten Thousand Dollars (\$10,000). Written contracts may be required when in the judgment of the City Manager the public interest is served thereby.

SECTION 402. "Soliciting Bids": One or more notices inviting sealed competitive bids shall be published in a newspaper of general circulation in the City, the first of which shall be at least ten days before the time for the opening bids. Such notice shall include a general description of the articles to be purchased, shall state where specifications may be secured and the time and place for a public opening of bids.

The Purchasing Officer shall, in addition, solicit sealed bids from all responsible prospective suppliers whose names are on the Bidder's List or who have requested their names to be added thereto. All pending purchases shall also be advertized by a notice posed on a public bulletin board in the City Hall.

SECTION 403. "Submittal of Bids": All such bids shall be sealed and submitted to the City Clerk and shall be accompanied by surety in such form and in such amount as specified in the public notice inviting bids or in the specifications referred to therein.

SECTION 404. "Opening of Bids": Sealed bids shall be identified as bids on the envelope and shall be opened in public at the time and place specified in public notices. No bid shall be received or recognized which has not been delivered prior to the time so indicated.

SECTION 405. "Rejection of Bids": The City Council may reject any and all bids or the bid for any one or more commodities or contractual services included in the proposed contract, when the public interest is served thereby.

SECTION 406. "Awards": Otherwise the contract shall be awarded to the lowest responsible bidder and quality offered, delivery terms and service reputation of the vendor may be taken into consideration in determining the successful bidder. In the event there occurs a tie among bidders submitting the lowest contract bid prices, the City Council may accept the bid it chooses or accept the lowest bid made by negotiation with the tie bidders at the time of the bid opening.

SECTION 407. "Tabulation of Bids": Bidders may inspect all bids, whether on contract or open market orders or on purchases or sales, after reference to and tabulation by the Purchasing Officer.

SECTION 408. "Performance Bonds": Bond, with good and sufficient sureties in such amount as may be deemed adequate to insure performance of contract in the time and manner prescribed in said contract, may be required by the City Council provided, however, that the form and amount of the bond shall be described in the notice inviting bids.

When in the judgment of the City Manager, the public interest will be served thereby, such bond may also be given to save, indemnify and hold harmless the City of South Pasadena against all loss, damage, claims, liabilities, costs, expenses which may result from the performance of said contract.

SECTION 409. "Assignment of Contract": No contract awarded shall be assignable by the successful bidder without the approval of the City Council. In no event shall a contract or any part thereof be assigned to a bidder who has been declared not to be a responsible bidder in the consideration of bids submitted in response to advertisement for the particular contract.

RULE V. EXCEPTIONS

SECTION 501. The requirements of Rule III and Rule IV may be excused on any purchase as to which the City Council specifically excuses the whole or any part thereof.

RULE VI. PURCHASES AND SALES: GENERAL REQUIREMENTS

SECTION 601. "Purchase Orders": Except for "unforeseeable needs", "after hour" requirements or petty cash purchases, purchases of supplies, services and equipment shall be made only by purchase order.

SECTION 602. "Exemptions from Competitive Bidding": Purchases which by their nature are not adapted to award by competitive bidding need not be subject to competitive bidding requirements. Contracts for the services of individuals possessing a high degree of professional skill, for utility services and for the purchase of magazines, books and periodicals, are included within the meaning of this rule.

SECTION 603. "Bidders' List": The Purchasing Officer shall maintain a public list of prospective bidders for each class of commodities or services for which competitive bidding is required. This list shall show the names and addresses of prospective sources of supplies and services and shall include the manufacturer of such supplies or services in all instances in which said manufacturer or producer follows the practice of direct bidding in addition to or in lieu of bidding through a local wholesaler, distributor or representative.

SECTION 604. "Blanket Purchase Orders": As a convenience to using agencies, the City Manager may issue open-end or blanket purchase orders not to exceed a period of one year. These orders may be issued to local sources of supply from which frequent over-the-counter deliveries are secured. These purchase orders shall be reviewed annually, or more frequently, to determine their continuous necessity. In order to provide some measure of control over its use and to insure that departmental purchases are being duly authorized by department heads, an appropriate form may be prepared and issued by the Purchasing Officer.

SECTION 605. "Automobile Allowance": For transportation essential to the conduct of official city business, any city officer or employee, excepting those receiving a flat monthly allowance therefor, who, in the opinion of the City Manager is required to use his own automobile in the course of employment, shall be allowed automobile expense for each mile traveled at the rate of 20 cents per mile.

Provided, however, that any City officer or employee who has been furnished a City vehicle or receives a flat monthly allowance for the use of his personal automobile on City business shall be excepted from the provisions of this section; and provided, further, that the provisions herein shall not apply to expenses incurred for travel to destinations outside of Los Angeles County unless duly authorized by the City Manager.

SECTION 606. "Traveling Expenses": All officers and employees who shall have been duly authorized to travel in the performance of their duties or in attending any convention or meeting of any society, association or informal group at or in which representation or participation will be of benefit to the City, shall receive the amount of their expenses for transportation, meals, lodging and incidentals necessarily incurred thereby in addition to the compensation otherwise provided. No allowance shall be made for transportation between the home of any person and the place where such person is ordinarily required to report for duty. In case of any doubt as to the necessity for the incurring of any expense, the City Manager shall determine whether such necessity existed and may allow, reject or modify any claim or any item or items thereof. All expenses

shall be audited and paid as are other claims against the City and the City Manager may prescribe and provide forms to be used in making such claims and may in any case require receipts or other evidence of payment of the amounts claimed by the party entitled thereto.

RULE VII. SALVAGE

SECTION 701. "Disposal of Surplus Supplies and Equipment": The Purchasing Officer shall dispose of all unusable or surplus materials, commodities or equipment. Unless he shall transfer such property to another using agency, he shall have authority to sell such supplies and equipment or to exchange the same for or trade in the same on, new supplies and equipment. Such sales shall be made pursuant to Rule III or Rule IV of these Rules, whichever is applicable.

SECTION 702. "Reporting Salvage": When any using department determines that any materials, commodities or equipment owned by the City are salvage, this fact shall be reported to the City Manager. At such time as a periodic physical inventory is required by the City Manager, the using department shall make a segregation of all possible salvage materials, commodities or equipment and a report thereof shall be furnished to the City Manager for the control of sale of such goods.

SECTION 703. "Custody of Salvage": The using department shall retain custody of such proposed salvage in such manner and at such place as the City Manager shall direct, until final disposition shall have been made. No using department shall in any event permit any such materials, commodities or equipment to be loaned, destroyed or otherwise removed from the City's custody without the prior official approval of the City Manager with respect thereto.

RULE VIII. EMERGENCY PURCHASES


SECTION 801. "Emergency Conditions": While the need for occasional emergency purchases is recognized, the practice must be curtailed as much as possible by anticipating needs so that the normal purchasing procedure utilizing bidding may be used.

An emergency shall be deemed to exist if:

- (a) There is a great public calamity;
- (b) There is immediate need to prepare for national or local defense;
- (c) There is a breakdown in machinery or an essential service which requires the immediate purchase of supplies or services to protect the public health, welfare or safety;
- (d) An essential departmental operation affecting the public health, welfare or safety would be greatly hampered if the prescribed purchasing procedure would cause an undue delay in procurement of the needed item or service.

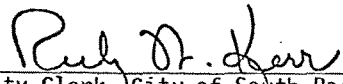
SECTION 802. "Limits of Emergency Purchases": In case of an emergency which requires immediate purchase of supplies, equipment or services, the head of any using agency may, with approval of the Purchasing Officer or the City Manager, purchase directly any supplies, equipment or services in the amount of \$5,000 or less. The head of such using agency shall, not later than the next regular business day thereafter, submit to the Purchasing Officer a requisition, a tabulation of bids received, if any, a copy of the delivery record and a full written report of the circumstances of the emergency. The report shall be filed with the Council and shall be entered in the minutes of the Council.

PASSED, APPROVED AND ADOPTED this 5th day of December, 1979.



Mayor, City of South Pasadena

ATTEST:



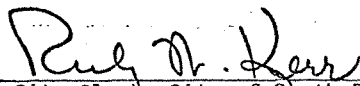
City Clerk, City of South Pasadena

I HEREBY CERTIFY that the foregoing resolution was adopted by the City Council of the City of South Pasadena at a regular meeting held on the 5th day of December, 1979 by the following vote of the Council:

AYES: Councilmembers Knowles, Arnold, Simmons, Swan and Mayor Shaw

NOES: None

ABSENT: None



City Clerk, City of South Pasadena

ORDINANCE NO. 1779

AN ORDINANCE OF THE CITY OF SOUTH PASADENA
 ADDING NEW SECTION 2.99-29 TO THE SOUTH
 PASADENA CITY CODE RELATING TO PURCHASING

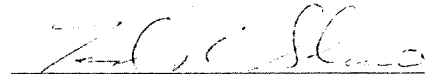
THE CITY COUNCIL OF THE CITY OF SOUTH PASADENA DOES ORDAIN AS
 FOLLOWS:

SECTION 1. Article XIV and Section 2.99-29 of the South
 Pasadena city code is hereby added to read as follows:

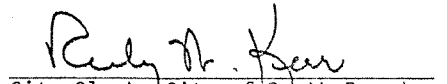
Article XIV Purchasing. Section 2.99-29. Rules and Regulations
 establishing the purchasing procedures for the City of South
 Pasadena as set forth in Resolution No. 5470 are hereby adopted.

SECTION 2. The City Clerk of the City of South Pasadena
 shall certify to the passage and adoption of this Ordinance and to its
 approval by the Mayor and shall cause the same to be published and cir-
 culated in the City of South Pasadena.

APPROVED, PASSED AND ADOPTED this 19th day of December,
 1979.


 Mayor, City of South Pasadena

ATTEST:

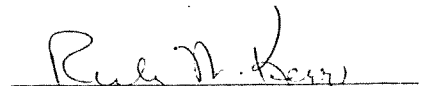

 City Clerk, City of South Pasadena

I HEREBY CERTIFY that the foregoing Ordinance was adopted by
 the City Council of the City of South Pasadena at a regular meeting held
 on the 19th day of December, 1979 by the following vote of the
 City Council:

AYES: Councilmembers Knowles, Arnold, Simmons, Swan and Mayor Shaw

NOES: None

ABSENT: None


 City Clerk, City of South Pasadena

on Question of Interest Conflict

Continued from Page 1

advised him shortly after Margrave's election that there would be no conflict of interest. Martin had cited a provision of Government Code Section 1091 stating that an official who has supplied goods or services to a "contracting party" for at least five years before assuming office has no conflict of interest in voting to continue that business.

The issue was raised anew by Prentiss at the March 6 council meeting. Prentiss objected to the payment of a \$1,386.76 bill to Morrow and Holman until the matter was resolved. Prentiss said in an interview that the council directed Einboden to conduct the inquiry.

City records show that from January, 1980, until Margrave was elected to the council in April, 1982, his company billed the city for \$2,495.04 in services. In roughly the same length of time after his election, the company's billings nearly quadrupled, to \$9,279.14, the records reveal. The company billings have totaled \$14,666.31 since Margrave assumed his council seat.

Margrave said his company's work for the city increased because, in an economy move in which he sided with the council majority, the city eliminated many employees, including those who used to do plumbing maintenance.

Margrave said he has bid against other firms for at least some of the work, but City Manager John Bernardi said Margrave's firm has never bid for a specific job or service contract and that Margrave's plumbing company has been the only plumbing concern to do business with the city since Margrave took office. Bernardi said that the city generally does not ask for bids for maintenance services and that it commonly uses outside firms for maintenance work including landscaping and painting.

FPPC spokesman Lynn Mont-

gomery said that under the state Political Reform Act, an official with more than a \$1,000 investment in a concern doing business with a city has a conflict of interest if the annual business the official does with the city amounts to at least \$100,000 or at least 1% of annual gross revenues, or to \$50,000 or 0.5% of annual net profits or 0.5% of the current assets or liabilities.

Margrave said his business grosses \$1 million a year and that the amount of business he receives from the city is a negligible part of his operation. If Margrave's figures are accurate, his firm's highest annual income from the city—\$6,571.28 in 1983—would be less

newspapers last week that included the full text of Einboden's letter to the FPPC. Margrave told he readers he would continue to deliver "the best possible service to the city."

Margrave said the conflict-of-interest question was raised for political purposes not by Prentiss or Wagner, but by the Committee for Responsive Government, a group of local citizens who have frequently criticized City Council actions. Its members include several former council candidates.

Margrave said he viewed the admonitions as political threats and decided to bring the issue to the fore with the ads now rather than wait for his political enemies to use it against him next year, when he plans to run for reelection.



OFFICE MEMO

STD. 100 (REV. 11-75)

DATE 4-16

TO:

Bob L

ROOM NUMBER

FROM:

K

PHONE NUMBER

SUBJECT:

Charles Martin

former city attorney
South Pasadena

818/962-3381

Twin Lake
city hall

re. Margrave

Patsy

this is the
LA Times article for
enclosure w/ Eubank
letter.

SL

Typed this
all

FPPC Advice Requested on Conflict Issue

LA Times 4-4-85

By ALAN MALTUN, *Times Staff Writer*

SOUTH PASADENA—The state Fair Political Practices Commission has been asked by the city to decide whether City Councilman David L. Margrave's votes to approve more than \$14,500 in payments to his own plumbing company since his election in 1982 are in violation of state conflict-of-interest laws.

Margrave's relationship with the plumbing firm has been well known and his votes in connection with it were made on the advice of a former city attorney, both Margrave and other city officials reported. But at a recent council meeting Councilman Lee Prentiss questioned the votes and Margrave's doing business with the city.

"There is new leadership in the city and there is a new city manager and a new city attorney," Prentiss said. "We can't have a shadow over the city."

City Atty. Ronald J. Einboden said Wednesday that he has asked the FPPC for a letter of advice on Margrave's possible conflict of interest under the state Political Reform Act of 1974. Einboden said he made his inquiry at the request of the Council.

Einboden, who took over as city attorney in October, said he is not certain whether former City Atty. Charles Martin's interpretation is correct. He said he plans to issue his own opinion after he receives the commission's response, which is expected in about two weeks.

City Stops Doing Business With Firm

Meanwhile, the city has stopped using the plumbing firm's services, city officials said.

Einboden said he also is reviewing other laws that may apply to the Margrave case. Specifically, Einboden said, he is studying the applicability of state Government Code Section 1090, which states that city officers "shall not be financially interested in any contract made by them in their official capacity" and that city officers shall not "... be purchasers at any sale or vendors at any purchase made by them in their official capacity."

A violation of section 1090 is punishable by a fine up to \$1,000 or by imprisonment and a ban on holding public office again, Einboden said.

Margrave, who is president of Morrow and Holman Plumbing Inc., which he owns with his wife Diane, has never made secret of his business relationship with the city or the fact he has voted to approve every plumbing bill to the city since his election. He has steadfastly denied that he has a conflict of interest.

"If you're narrow-minded, you can see a conflict," Margrave said. "If the FPPC rules I should not do plumbing (for the city) anymore, I will not. If it doesn't, I continue to work."

Margrave has voted on the billings since Martin

Please see FPPC, Page 6

4/18/85 conv. w/ Charles Martin

Trinidad

Purchase O.K.

The councilmembers' properties will obviously be impacted

Summary can go in Bulletin
Letter Out - w/ him

So. Pasadena

Montgomery was on Council
Martin was city attorney - left 7 years ago

Martin told Mangrove that he couldn't participate in planning decisions.

Then one weekend there was emergency at Police Depot - they asked him to look over & repair toilets - 10040 job - when bill came through they let it go because of the emergency nature of the work of a local business.

Then it mushroomed - all the depots would call him - Council never actually contracted with him -

To the extent we get bids.