



CALIFORNIA FAIR POLITICAL PRACTICES COMMISSION
MINUTES OF HEARING, Public Session
Thursday, February 16, 2017

Under Government Code section 11123(a), all meetings of a state body are open and public, and all persons are permitted to attend any meeting of a state body, except as otherwise provided in that article. The section further states that the portion of the teleconferenced meeting that is required to be open to the public must be audible to the public at the location specified in the notice of the meeting. The Commission may take action on any item listed on this agenda.

CALL TO ORDER

Chair Remke called the meeting to order at 1:00 pm on February 16, 2017, at the Fair Political Practices Commission, 428 J Street, Sacramento, CA 95814. Chair Remke and Commissioner Audero were present. Commissioners Casher and Wasserman were present via teleconference.

Welcome

Jodi Remke, FPPC Chair

Public Comment

- 1. Public Comment.**

Approval of Commission Minutes

- 2. Approval of January 2017 Commission Hearing Minutes.**

Commissioner Audero made a motion to approve item 2, Commissioner Casher seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, and Chair Remke.

The motion passed 4 to 0.

CONSENT CALENDAR ITEMS 3-30

Items 4, 5, 6, 14 and 15 were pulled at the request of Commissioner Audero.

Item 17 was pulled at the request of Commissioner Audero and she recused herself from the matter because the respondent may be a client of her law firm. If this item is discussed, Commissioner Audero stated she would leave the room.

Item 23 was pulled from consent to discuss at the request of Commissioner Wasserman.

Item 25 was removed from the consent calendar at the request of Chief of Enforcement Galena West because a tentative agreement was reached with the respondent.

Chair Remke made a motion to approve items 3, 7-13, 16, 18-22, 24, 26-30 Commissioner Audero seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, and Chair Remke.

The motion passed 4 to 0.

Consent Calendar 3 – 30

Purposefully or Negligently Causing Others to Violate the Act

- 3. In the Matter of California Republican Leadership Fund; FPPC No. 13/409.** Staff: Assistant Chief of Enforcement Dave Bainbridge, Special Investigator Paul Rasey, and Program Specialist Luz Bonetti. The California Republican Leadership Fund, a general purpose committee, caused six county central committees to make contributions in their names without identifying the California Republican Leadership Fund as the true source of the contributions, in violation of Government Code Section 83116.5 (6 counts). **Total Proposed Penalty: \$30,000.**

Commissioner Wasserman asked how future respondents can avoid being in violation even after seeking advice from the Commission in this kind of scenario.

Chief of Enforcement Galena West said this is a great example of how all the divisions work together. Chief West said that when Legal writes an advice letter, they write it based on the facts as they are presented at the time. If the situation changes or the facts are different from how they were presented to them or the requester goes beyond those facts, they should know that they are not covered by advice that is provided. Legal advice letters are very specific on this point. This gives people clarity that you request advice based on the facts that you want to act upon and then you will have the immunity from the advice letter function.

Campaign Reporting

- 4. In the Matter of Roger Gaylord III and Roger Gaylord for Folsom City Council 2014; FPPC No. 15/097.** Staff: Commission Counsel Michael W. Hamilton and Special Investigators Marshall Miller and George Aradi. Roger Gaylord was an unsuccessful candidate for the Folsom City Council in the November 4, 2014 General Election. Roger Gaylord for Folsom City Council 2014 was his candidate-controlled committee. The Committee and Gaylord failed to timely report activity on pre-election statements covering the period July 1 through October 18, 2014, and semiannual statements covering the period October 19, 2014 through June 30, 2015, in violation of Government Code Section 84211, subds. (a), (b), (c), (d), (f)(5), (j), and (k) (2 counts). The Committee and Gaylord failed to properly disclose sender identification on mass mailers, in violation of Government Code Section 84305, subd. (a) and Reg. 18435, subd. (d) (1 count). Additionally, the Committee and Gaylord made cash expenditures of \$100 or more, totaling \$2,249, in violation of Government Code Section 84300, subd. (b) (1 count). **Total Proposed Penalty: \$6,500.**

Commissioner Audero asked why the penalty amount for each count was different in this matter compared to the case listed in the stipulation, Art Brown.

Chief West said that Art Brown was given as a comparable case because it was similar in amounts spent, but different in that Art Brown had a history of violating the Act and was a sophisticated filer.

Commissioner Wasserman made a motion to approve item 4, Commissioner Casher seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, and Chair Remke.
The motion passed 4 to 0.

- 5. In the Matter of Michael Horner; FPPC No. 15/1275.** Staff: Senior Commission Counsel Angela Brereton and Special Investigator Paul Rasey. Michael Horner qualified as an independent expenditure committee in October 2014 when he paid for a mass mailing opposing a candidate for Lake County Board of Supervisors in the November 4, 2014 General Election. Horner did not identify himself as the sender of the mass mailing and failed to display the required sender identification, in violation of Government Code Section 84305, subd. (a) (1 count). Additionally, Horner made cash expenditures of \$100 or more, totaling approximately \$1,456, in violation of Government Code Section 84300, subd. (b) (1 count). **Total Proposed Penalty: \$3,500.**

Commissioner Wasserman thank Chief West and the Enforcement Division for working with the respondent on this matter.

Commissioner Audero made a motion to approve item 5, Commissioner Wasserman seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, and Chair Remke.
The motion passed 4 to 0.

Campaign Non-Filer

- 6. In the Matter of Re-Elect Gary Mendez for Rio Hondo College Board 2011 and Gary Mendez; FPPC No. 15/218 (Default Decision).** Staff: Commission Counsel Amanda Kelly and Staff Services Analyst Dominika Wojenska. Gary Mendez is a current Trustee of Rio Hondo College in the City of Whittier. Re-Elect Gary Mendez for Rio Hondo College Board 2011 is his candidate-controlled committee. The Committee and Mendez failed to timely file three semiannual campaign statements covering the reporting periods of July 1, 2014 through December 31, 2014, and July 1, 2015 through June 30, 2016, in violation of Government Code Section 84200 (3 counts) and failed to pay the 2014 and 2015 \$50 Annual Fees to the Secretary of State's Office, in violation of Government Code Section 84101.5 (2 counts). **Total Proposed Penalty: \$18,500.**

Commissioner Audero asked about the respondents' letter where he stated that he reached out to numerous people in the Enforcement Division. Chief West said that the Enforcement Division has had no contact with Mr. Mendez and no response to contacts have been made on his part.

Commissioner Audero made a motion to approve item 6, Commissioner Casher seconded the motion.

Commissioner Wasserman decided to abstain based on respondent's possible relationship with an entity in a future case that may come before the Commission.

Ayes: Commissioners Audero, Casher, and Chair Remke.
The motion passed 3 to 0.

- 7. In the Matter of Friends of Kathy Orrin 2016 for Trustee of West Kern Community College District and Kathy Orrin; FPPC No. 16/20110.** Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Kathy Orrin was a successful candidate for Trustee of West Kern Community College District in the November 8, 2016 General Election. Friends of Kathy Orrin 2016 for Trustee of West

Kern Community College District is her candidate-controlled committee. The Committee and Orrin received four contributions totaling \$6,000 during the 90 days before the election and failed to file four late contribution reports, in violation of Government Code Section 84203 (4 counts). **Total Proposed Penalty: \$860.**

- 8. In the Matter of Folsom South Area Group; FPPC No. 17/00008.** Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Folsom South Area Group, as a major donor committee, failed to timely file two semiannual major donor statements (Form 461), covering the reporting periods of January 1, 2015 through December 31, 2015, in violation of Government Code Section 84200 (2 counts). **Total Proposed Penalty: \$677.**
- 9. In the Matter of Jon Scott and Jon Scott - Chico City Council 2016; FPPC No. 16/19871.** Staff: Chief of Enforcement Galena West and Enforcement Division Intake Manager Adrienne Korchmaros. Jon Scott was an unsuccessful candidate for Chico City Council in the November 2016 General Election. Jon Scott - Chico City Council 2016 was his candidate-controlled committee. The Committee and Scott failed to timely file two pre-election statements covering the periods of July 1, 2016 through October 22, 2016, in violation of Government Code Section 84200.5 (2 counts). **Total Proposed Penalty: \$470.**
- 10. In the Matter of Joe Imbriano 4 Fullerton City Council and Joe Imbriano; FPPC No. 16/20102.** Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Joe Imbriano was an unsuccessful candidate for Fullerton City Council in the November 8, 2016 General Election. Joe Imbriano 4 Fullerton City Council is his candidate-controlled committee. The Committee and Imbriano received three contributions totaling \$7,919 during the 90 days before the November 8, 2016 General Election and failed to file a late contribution report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$279.**
- 11. In the Matter of Taxpayers for Public Safety, Yes on Measure G 2016 and Rory McNeil; FPPC No. 16/19726.** Staff: Commission Counsel Amanda Kelly. Taxpayers for Public Safety, Yes on Measure G 2016 is a local primarily formed ballot measure committee in support of Measure G on the November 8, 2016 General Election ballot in Siskiyou County. Rory McNeil is the Committee's treasurer. The Committee and McNeil failed to timely file one pre-election statement covering the reporting period of July 1, 2016 through September 24, 2016, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$250.**
- 12. In the Matter of Daniel Marmolejo for Beaumont City Council 2016 and Daniel Marmolejo; FPPC No. 16/19970.** Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Daniel Marmolejo was an

unsuccessful candidate for Beaumont City Council in the November 8, 2016 General Election. Daniel Marmolejo for Beaumont City Council 2016 is his candidate-controlled committee. The Committee and Marmolejo failed to timely file one pre-election statement covering the reporting period of September 25, 2016 through October 22, 2016, in violation of Government Code Section 84200.5 (1 count). **Total Proposed Penalty: \$219.**

- 13. In the Matter of Friends of Lakeside Schools for Measure J and Cynthia Gingerich; FPPC No. 16/434.** Staff: Chief of Enforcement Galena West, Assistant Political Reform Consultant Chloe Hackert, and Special Investigator Garrett Micheels. Friends of Lakeside Schools for Measure J was a primarily formed ballot measure committee in support of Measure J on the June 7, 2016 Primary Election ballot in Santa Cruz County. Cynthia Gingerich is the Committee's treasurer. The Committee and Gingerich received a contribution of \$1,000 during the 90 days before the June 7, 2016 Primary Election and failed to timely file a late contribution report, in violation of Government Code Section 84203 (1 count). **Total Proposed Penalty: \$210.**

Statement of Economic Interests Non-Filer

- 14. In the Matter of Elena Sweda Neff; FPPC No. 15/716 (Default Decision).** Staff: Assistant Chief Dave Bainbridge and Staff Services Analyst Dominika Wojenska. Elena Sweda Neff, a former Board Member of the Los Angeles County West Vector Control District, failed to file her Annual Statements of Economic Interests for the years of 2011 through 2015, and failed to file a Leaving Office Statement of Economic Interests, in violation of Government Code Section 87300 (5 counts). **Total Proposed Penalty: \$20,000.**

Commissioner Audero asked about the weight given to the assuming office, annual and leaving office statements.

Chief West said that most Enforcement cases revolve around the annual statements to try to get people to come up to speed while they are in office in order to make sure there are no conflicts of interest. Ms. Neff never filed an annual statement from 2011-2015. The reason she was given \$4000 a count instead of the maximum of \$5000 was because she is no longer in office.

Commissioner Audero made a motion to approve item 14, Commissioner Casher seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, and Chair Remke.
The motion passed 4 to 0.

15. In the Claire Gottsdanker; FPPC No. 15/1162 (Default Decision). Staff: Commission Counsel Toren Lewis. Claire Gottsdanker, a member of the Montecito Board of Architectural Review, failed to timely file a 2014 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$3,000.**

Commissioner Audero made a motion to approve item 15, Commissioner Wasserman seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, and Chair Remke.
The motion passed 4 to 0.

16. In the Matter of Eric Rudnick; FPPC No. 16/060. Staff: Commission Counsel Amanda Kelly. Eric Rudnick, a Commissioner of the Emergency Medical Services Authority Commission and a former Consultant with the County of Santa Clara Public Health Department, failed to timely file a 2014 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$800.**

17. In the Matter of Sandra Thompson; FPPC No. 16/19764. Staff: Chief of Enforcement Galena West and Enforcement Intake Manager Adrienne Korchmaros. Sandra Thompson, a Board Member for UC Hastings College of Law, failed to timely file a 2015 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

Chair Remke made a motion to approve item 17, Commissioner Casher seconded the motion.

Ayes: Commissioners Casher, Wasserman, and Chair Remke.
The motion passed 3 to 0.

Commissioner Audero recused herself.

18. In the Matter of Arnold Serkin; FPPC No. 16/19780. Staff: Chief of Enforcement Galena West and Enforcement Intake Manager Adrienne Korchmaros. Arnold Serkin, as a Director of the Ridgecrest Ranchos Park and Recreation District, failed to timely file a 2015 Annual Statement of Economic Interests with the County of Los Angeles, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

19. In the Matter of James Bill; FPPC No. 16/20003. Staff: Chief of Enforcement Galena West and Enforcement Intake Manager Adrienne Korchmaros. James Bill, as a Board

Member for the Building Board of Appeals in the County of Marin, failed to timely file his 2015 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

20. In the Matter of Tamara Hull; FPPC No. 16/20005. Staff: Chief of Enforcement Galena West and Enforcement Intake Manager Adrienne Korchmaros. Tamara Hull, as a Board Member for Marin County Measure A Community Oversight Committee, failed to timely file a 2015 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

21. In the Matter of Laura Gonzalez Escoto; FPPC No. 16/20065. Staff: Chief of Enforcement Galena West and Assistant Political Reform Consultant Chloe Hackert. Laura Gonzalez Escoto, as a Member of the Housing and Community Development Advisory Committee, failed to timely file her 2015 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$200.**

Statement of Economic Interests Non-Reporter

22. In the Matter of Stephen Houlahan; FPPC No. 16/19806. Staff: Political Reform Consultant Teri Rindahl. Stephen Houlahan, a successful Candidate for the City Council of Santee in the November 8, 2016 General Election, failed to disclose a source of income on his on Candidate Statement of Economic Interests covering the period of July 27, 2015 through July 27, 2016, in violation of Government Code Section 87207 (1 count). **Total Proposed Penalty: \$100.**

23. In the Matter of Willis Dow; FPPC No. 14/1102. Staff: Senior Commission Counsel Bridgette Castillo and Special Investigator Kelli Gould. Willis Dow, a former member of the Honey Lake Valley Resource Conservation District in Lassen County, failed to disclose real property on his 2013 Annual Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Proposed Penalty: \$100.**

Commissioner Wasserman asked about a public comment letter and the timing of the matter, to which Chief West discussed the complexity of the underlying issues regarding property and water rights.

Chair Remke made a motion to approve item 23, Commissioner Audero seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, and Chair Remke.

The motion passed 4 to 0.

24. In the Matter of Jesús Andrade; FPPC No. 17/00011. Staff: Chief of Enforcement Galena West and Political Reform Consultant Adrienne Korchmaros. Jesús Andrade, as a successful candidate for the Stockton City Council, failed to timely disclose a source of income on his Candidate Statement of Economic Interests covering the reporting period of March 11, 2015 through March 11, 2016, in violation of Government Code Section 87207 (1 count). **Total Proposed Penalty: \$100.**

Annual Fee

25. In the Matter of Tim Hodge for City Council '92 and Tim Hodge; FPPC No. 15/1346 (Default Decision). Staff: Commission Counsel Amanda Kelly and Staff Services Analyst Dominika Wojenska. Tim Hodge is a member of the Simi Valley Planning Commission and an unsuccessful candidate for Simi Valley City Council in 1992. Tim Hodge for City Council '92 is his candidate-controlled committee. The Committee and Hodge failed to timely pay the 2013, 2014, and 2015 \$50 Annual Fees to the Secretary of State's Office, in violation of Government Code Section 84101.5 (3 counts). **Total Proposed Penalty: \$9,000.**

26. In the Matter of Lodi Firefighters PAC and Justin Porter, Treasurer; FPPC No. 15/2137. Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Lodi Firefighters PAC is a city general purpose committee. Porter is the Committee's treasurer. The Committee and Porter failed to timely pay the 2014, 2015 and 2016 \$50 Annual Fees to the Secretary of State's Office, in violation of Government Code Section 84101.5 (3 counts). **Total Proposed Penalty: \$800.**

27. In the Matter of Committee to Save Central Park and Christian White, FPPC No. 15/537. Staff: Commission Counsel Amanda Kelly and Staff Services Analyst Hayley Porter. Committee to Save Central Park is a committee primarily formed to oppose Measure T, a Huntington Beach ballot measure. Christian White is the Committee's treasurer. The Committee and White failed to timely pay the 2013 Annual Fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (1 count). **Total Proposed Penalty: \$400.**

28. In the Matter of Rob Brown for District 5 Supervisor 2012; Robert K. Brown; and Michelle Borghesani, Treasurer; FPPC No. 15/1420. Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Robert K. Brown was a successful candidate for Lake County Board of Supervisors in the June 5, 2012 and June 7, 2016 Primary Elections. Rob Brown for District 5 Supervisor 2012 is his candidate-controlled committee. Borghesani is the Committee's treasurer. The Committee, Brown, and Borghesani failed to timely pay the 2014 and 2015 \$50 Annual Fees to the Secretary of State's Office, in violation of Government Code Section 84101.5 (2 counts). **Total Proposed Penalty: \$400.**

29. In the Matter of L. Karen Monroe for County Superintendent 2014 and L. Karen Monroe, Treasurer; FPPC No. 15/2167. Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. L. Karen Monroe was a successful candidate for Alameda County Superintendent of Schools in the November 4, 2014 General Election. L. Karen Monroe for County Superintendent 2014 is her candidate-controlled committee. The Committee and Monroe failed to timely pay the 2014 and 2015 \$50 Annual Fees to the Secretary of State's Office, in violation of Government Code Section 84101.5 (2 counts). **Total Proposed Penalty: \$400.**

30. In the Matter of Mayor Gary Davis 2014 and Gary Davis, Treasurer; FPPC No. 15/2235. Staff: Chief of Enforcement Galena West and Staff Services Analyst Dominika Wojenska. Gary Davis was a successful candidate for Elk Grove Mayor in the November 6, 2012 and November 4, 2014 General Elections. Mayor Gary Davis 2014 is his candidate-controlled committee. The Committee and Davis failed to timely pay the 2015 and 2016 \$50 Annual Fee to the Secretary of State's Office, in violation of Government Code Section 84101.5 (2 counts). **Total Proposed Penalty: \$400.**

General Item 31

31. Legislative Update for February 2017. Staff: Phillip Ung, Legislative and External Affairs Director. This report includes a summary of the 4 bills introduced that would impact the Political Reform Act or Government Code 1090.

Director of Legislative Affairs, Phillip Ung, stated that since the memo was given to the Commission that 11 more pieces of legislation have been introduced.

Executive Staff Reports Item 32

32. Executive Staff Reports.

Enforcement Division. Galena West, Enforcement Chief
Legal Division. Hyla P. Wagner, General Counsel
External Affairs and Education. Tara Stock, Manager

The staff reports were submitted.

Chair Remke made a motion to adjourn the meeting, Commissioner Audero seconded the motion.

Ayes: Commissioners Audero, Casher, Wasserman, Wynne, and Chair Remke.
The motion passed 5 to 0.

The meeting adjourned at 1:46pm.

Respectfully Submitted,
Sheva Tabatabaiejad
Commission Assistant
Approved March 2, 2017

Joann Remke, Chair
Fair Political Practices Commission