



Expo

Exposition Metro Line
Construction Authority


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BuildExpo.org

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DATE: AUGUST 3, 2006

TO: BOARD OF DIRECTORS

FROM: RICHARD D. THORPE 
CHIEF EXECUTIVE OFFICER

ACTION: APPROVE THE RESOLUTION ADOPTING THE CONFLICT OF INTEREST CODE FOR THE EXPOSITION METRO LINE CONSTRUCTION AUTHORITY

RECOMMENDATION

- A. Approve the Resolution adopting the Conflict of Interest Code for the Exposition Metro Line Construction Authority (Authority); and
- B. Submit the Conflict of Interest Code to the County Board of Supervisors for approval as required by state law.

SUMMARY

SB 504, creating the Exposition Metro Line Construction Authority, requires that the members of the Authority Board be subject to the Political Reform Act of 1974, which requires development and adoption of a Conflict of Interest Code. All Conflict of Interest Codes in the County of Los Angeles must be submitted to the County Board of Supervisors for approval.

BACKGROUND

State law (Government Code Section 87302) and Fair Political Practices Commission Regulations Section 18730 (2 Cal. Code of Regs. Section 18730) require local government agencies to adopt and promulgate Conflict of Interest Codes. To comply with these requirements, the Los Angeles County Metropolitan Transportation Authority (Metro) Ethics Department, on behalf of the Authority, submitted the proposed Conflict of Interest Code for the Authority to

the County's Code Review Panel for review. The Authority's Code (Attachment A) includes a list of disclosure categories (Appendix A) and a list of designated positions (Appendix B) that were submitted to the County's Code Review Panel along with the organizational chart for the Authority, and a justification table explaining why each position is included in the list of designated positions (Attachment B).

The County's Code Review Panel approved the Authority's proposed code on May 11, 2006 (Attachment C). A "Notice of Intention to Adopt or Amend a Conflict of Interest Code" was posted for over thirty (30) days in four separate locations (the Authority website, the County Hall of Administration, the Metro Gateway Building, and the Metro intranet site). A comment period was also established to receive public input on the proposed Code. The period commenced on May 23, 2006, and terminated on June 30, 2006. No public comment was received by the Metro Ethics Department during this period.

The code drafted on behalf of the Authority is modeled after Metro's Conflict of Interest Code and is similar to all other Conflict of Interest Codes adopted by agencies throughout California. Approval of the attached Resolution by the Board (Attachment D), will establish the Conflict of Interest Code for the Authority.

NEXT STEPS

Once this Resolution is adopted by the Authority Board, it will be submitted to the Los Angeles County Board of Supervisors for final approval.

ATTACHMENT(S)

- A. Conflict of Interest Code including Appendices "A" and "B."
- B. Justification of Designated Positions and Disclosure Categories
- C. Memo from County Code Review Panel approving proposed Code
- D. Resolution to Adopt Conflict of Interest Code

CONFLICT OF INTEREST CODE

EXPOSITION METRO LINE CONSTRUCTION AUTHORITY

Incorporation of FPPC Regulation 18730 (2 California Code of Regulations, Section 18730) by Reference

The Political Reform Act (Government Code Section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730), which contains the terms of a standard conflict of interest code. After public notice and hearing, it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated into the conflict of interest code of this agency by reference. This regulation and the attached Appendices (or Exhibits) designating officials and employees and establishing economic disclosure categories shall constitute the conflict of interest code of this agency.

Place of Filing of Statements of Economic Interests

All officials and employees required to submit a statement of economic interests shall file their statements with the agency head, or his or her designee. The agency shall make and retain a copy of all statements filed by its Board Members, Governing Board Members, Alternate Board Members, as appropriate, and its agency head (Agency/Department Head, Executive Officer or Chief Executive Officer, Superintendent, or Director), and forward the originals of such statement to the Executive Office of the Board of Supervisors of Los Angeles County.

The agency shall retain the originals of statements for all other Designated Positions named in the agency's conflict of interest code. All retained statements, original or copied, shall be available for public inspection and reproduction (Gov. Code Section 81008) at the agency offices or at the offices of its designee within the County of Los Angeles.

This conflict of Interest Code and all amendments thereto shall be approved by the Board of Directors of the agency.

APPENDIX "A"

CATEGORY 1

Persons in this category shall disclose all interest in real property within the jurisdiction. Real property shall be deemed to be within the jurisdiction if the property or any part of it is located within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the agency.

Persons are not required to disclose property used primarily as their residence or for personal recreational purposes.

CATEGORY 2

Persons in this category shall disclose all investments, income, and business positions.

CATEGORY 3

Persons in this category shall disclose all business positions, investments in, or income (including gifts and loans) received from business entities that manufacture, provide or sell service and/or supplies of a type utilized by the agency and associated with the job assignment of designated positions assigned this disclosure category.

CATEGORY 4

Individuals who perform under contract the duties of any designated position shall be required to file Statements of Economic Interests disclosing reportable interest in the categories assigned to that designated position.

In addition, individuals who, under contract, participate in decisions which affect financial interests by providing information advice, recommendation or counsel to the agency which could affect their financial interests shall be required to file Statements of Economic Interests, unless they fall within the Political Reform Act's exceptions to the definition of consultant. The level of disclosure shall be as determined by the executive officer (or head) of the agency.

APPENDIX "B"

<u>Designated Positions</u>	<u>Disclosure Categories</u>
1. Governing Board and Alternate Members	1, 2
2. Chief Executive Officer	1, 2
3. Chief Operations Officer	1, 2
4. Chief Project Officer	1, 2
5. Director of Finance	1, 2
6. Director of Engineering & Construction	1, 2
7. Director of Project Management	1, 2
8. Contracts/ Risk Management	1, 2
9. General Counsel	1, 2
10. Deputy General Counsel	1, 2
11. Real Estate Manager	1, 3
12. Construction Manager	1, 3
13. Consultants	4
14. Project Control Supervisor	3
15. Quality Assurance Manager	3
16. Government/Community Relations Manager	3
17. Clerk of the Board	3
18. Safety Manager	3

ATTACHMENT B

	JOB TITLE	CLASS	CATEGORY	JUSTIFICATION
1.	Governing Board and Alternate Members		1,2	Statutory Filers
2.	Chief Executive Officer		1,2	Makes significant financial decisions within board granted Authority when he manages and directs construction of light rail, develops and administers agency systems, policies and procedures, hires staff, and oversees all design and construction contracts for the Authority's rail project. This person also functions as the Chief Financial Officer.
3.	Chief Operating Officer		1,2	Makes significant financial decisions when directing the Authority's general administration, real property, government relations, joint development, public affairs efforts. Makes financial decisions concerning Authority's finances, budget preparation, accounting, investments, audits, and other activities necessary to perform the Authority's financial functions and operations.
4.	Chief Project Officer		1,2	Makes financial decisions as part of their responsibilities. Provides overall executive direction for all Authority construction and engineering functions. Directs the goals and development of strategies for carrying out the mission of the Authority. Resolves construction problems. This person evaluates project performance, takes action that can include financial decisions to address deviations and defects in products or performance related to Authority project. This person approves cost estimates, staffing plans and schedules.
5.	Director of Finance		1,2	This person oversees budget and funds management, grants, accounting, payroll, accounts payable and audit functions. They will also assist in production of Authority's financial statements and annual budget and supervise subordinate or consultant staff. This person will make recommendations concerning financial policy at the Authority.

6.	Director of Engineering & Construction		1,2	<p>This person serves as Chief Engineer on projects. This person directs overall operations of architecture, civil/structural and systems engineering and construction. This person recommends and adopts goals, supervises staff, and directs oversight of technical performance of Authority's design build contractor, and establishes and implements policies and procedures.</p>
7.	Director of Project Management		1,2	<p>This position makes financial decisions in the course of directing program and contract management, third party administration, environmental services and project quality assurance programs. This person develops the scope of work. selects and negotiates with contractors, and manages third party cooperative agreements. This person creates work orders for contracts.</p>
8.	Contracts/Risk Management		1,2	<p>This position makes financial decisions when they develop project assignments, procedures and work requirements, develop internal controls for compliance with grant management guidelines. They will oversee preparation of RFPs and IFBs, review and recommend approval of award of contracts, and supervise subordinate staff.</p>
9.	General Counsel		1,2	<p>This position makes financial decisions in the course of identifying and analyzing legal issues, making policy recommendations, assuring legal compliance and managing transactions and litigation. This person advises the Authority on legal issues and interpretation of the law. This person approves contracts as to form.</p>
10.	Deputy General Counsel		1,2	<p>This position assists in identifying and analyzing legal issues, presenting policy recommendations, assuring legal compliance, and managing all significant transactions and litigation. This person approves contracts as to form. This position advises the Authority on legal issues and interpretation of the law.</p>
11	Real Estate Manager		1,3	<p>This position initiates real estate legal actions, determines real estate terms and conditions in contracts, recommends pricing in real estate related matters, assists in defining real property issues and formulates construction schedules. This person will develop,</p>

				manage, and administer special projects. This position will monitor cost accounting, project financing, contract negotiations and supervise subordinate staff.
12.	Construction Manager		1,3	This position manages major rail and bus facilities construction projects, oversees work of construction management consultants, supervises construction inspectors and construction engineering. This position monitors work for compliance with budget, technical and legal requirements, reviews contract documents and assists with bid forms, prebid conferences and proposal evaluations and recommendations. Expedites design and field changes, negotiates change orders, and conducts site audits and testing.
13.	Consultants		4	Any individual who pursuant to a contract participates in making decisions which affect the Authority's financial interests or who serves in a staff capacity and performs the duties of any designated position. Disclosure categories are determined by scope of work or functions performed.
14.	Project Control Supervisor		3	This position oversees preparation and implementation of project management plans, prepares, analyzes and implements project design and construction budgets, oversees cost forecasting, schedule updates and invoice processing, evaluates contract change orders, monitors and updates contract unit description documents, and supervises in-house and consultant staff.
15.	Quality Assurance Manager		3	This position participates in prebid and pre-construction meetings, develops and implements quality assurance plans, conducts inspections, audits, and initiates corrective action to document work in accordance with contracts, and prepares and presents reports and analysis to Board of Directors.
16.	Government/Community Relations Manager		3	This position is instrumental in development and implementation of a mitigation program for the design and construction of the Exposition Light Rail Project, serves as liaison between Expo management, local elected officials, public and private agencies, citizens and community advocacy groups. This position researches

				complex and sensitive incidents and oversees and monitors the community relations budget.
17.	Clerk of the Board		3	This position administers the board of directors meetings; serves as custodian of records and agent of service of process for Expo and its employees. This person reports to the Chief Executive Officer and ensures maintenance and security of records and Authority seal. This position prepares and administers departmental and board of directors' budget, approves director expenses, administers director fees, travel and expense reports.
18.	Safety Manager		3	This position participates in the development and establishment of policy, procedure, programs, plans, and standards for operations/construction safety activities and safety compliance. This position participates in development of budgets, schedules, and strategies for operations/construction for safety compliance and audits.

**EXECUTIVE OFFICE OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES**

SACHI A. HAMAI
Executive Officer



April 25, 2006

To: Robin Guerrero
Barbara Goul
Rosie Fabian

From: Don Garcia *DG*

Subject: **Conflict of Interest and Disclosure Code for Exposition Metro Line Construction Authority (Expo)**

Attached for your review is the proposed Conflict of Interest and Disclosure Code for the Exposition Metro Line Construction Authority (Expo). This is a newly established transportation construction authority. Its purpose is to construct a light rail project extending from the Metro Rail Station at 7th Street and Flower Street in the City of Los Angeles to the downtown of the City of Santa Monica. The authority will award and oversee final design and construction contracts for completion of the project. The authority has all the powers necessary for planning, acquiring, leasing, developing, jointly developing, owning, controlling, using, jointly using, disposing of, designing, procuring, and building the project.

There is not a previous Conflict of Interest and Disclosure Code on file. The agency has adopted for use regulation 18730 that contains the terms of their conflict of interest code. They have also developed their own set of disclosure categories as attached in Exhibit "A".

The authority proposes to include in their code the positions listed in the attached Exhibit "B". The justifications and recommended disclosure categories for including these positions can be found in the attached justifications for Exhibit "B" enclosure.

Please review for our next Code Review Panel Meeting on Thursday, May 11, 2006. Please indicate your recommendations in the space provided below.

Approve Disapprove

Signature Robin A Guerrero Date 5-11-06

Signature Barbara Goul Date 5/11/06

Signature Rosie Fabian Date 5/11/06

Comments: _____

RESOLUTION NO. 006

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE
EXPOSITION METRO LINE CONSTRUCTION AUTHORITY

CONFLICT OF INTEREST CODE

WHEREAS, the Exposition Metro Line Construction Authority (the "Authority") was created by a special act of the California Legislature, which became effective January 1, 2004; and

WHEREAS, the Authority's enabling legislation is set forth at California Public Utility Code Section 132600 (the "enabling legislation"); and

WHEREAS, Section 132615(d) of the enabling legislation requires that members of the Authority Board be subject to the Political Reform Act of 1974, and further, Title II, Chapter 1, Section 3 of the Authority's Administrative Code provides that every Board Member, officer, employee and consultant of the Authority shall comply with the Political Reform Act, Government Code Section 1090, the Authority Conflict of Interest Code and every other applicable ethical or conflict of interest statute; and

WHEREAS, the Authority has duly noticed the public of its intention to adopt a Conflict of Interest Code by posting notice of same for over 30 days at the places where it generally conducts and posts notice of its monthly board meetings and on its web site; and

WHEREAS, the Authority now desires to adopt the noticed Conflict of Interest Code pursuant to the Political Reform Act of 1974; and

NOW, THEREFORE, BE IT RESOLVED that this Resolution and the attached Conflict of Interest Code, Attachment A, setting forth the California Code of Regulations provisions pertaining to Conflict of Interest Codes beginning with Title 2, Division 6, Section 18730, Appendix A thereto, establishing disclosure categories, and Appendix B thereto, designating officials and employees, shall constitute the Conflict of Interest Code of the Authority, subject to approval by the Los Angeles County Board of Supervisors (the "County");

BE IT FURTHER RESOLVED that staff is directed to submit the Authority's Conflict of Interest Code, as well as other appropriate supporting documentation, to the appropriate code reviewing body, which is the County, for approval; and

BE IT FURTHER RESOLVED that designated employees shall file their statements of economic interest (Fair Political Practices Commission Form 700, or such other form(s) as may be prescribed by law) with, on behalf of the Authority, the Chief Ethics Officer of the

Los Angeles County Metropolitan Transportation Authority ("Metro") at Metro's headquarters location, or with such other person and at such place as the Chief Executive Officer of the Authority may designate from time to time, and that such statements shall be available for public inspection and reproduction as required by law; and

BE IT FURTHER RESOLVED, that pursuant to Section 18753 of Division 6 of Title 2 of the California Code of Regulations, the Authority Board Members and the Authority's Chief Executive Officer shall file a copy of his or her Form 700 with the Chief Ethics Officer of Metro and shall file the original with the County; and

BE IT FURTHER RESOLVED that statements for all designated employees shall be retained by Metro on behalf of the Authority as required by applicable record retention related law.

PASSED AND ADOPTED by the Board of Directors of the Exposition Metro Line Construction Authority, at a regular meeting thereof, held on August 3, 2006.

Yvonne B. Burke, Chair

ATTEST:

Juanita Carey
Clerk of the Board

APPROVED AS TO FORM:

ROBINSON & PEARMAN, LLP

Robert Pearman
Deputy General Counsel