



**Minutes for Meeting of Thursday,
January 12, 2006**

Item-1 Call to Order

Chairwoman Leonard called the meeting to order at 5:00 p.m.

Item-2: Roll Call

Present – Chairwoman Dorothy Leonard, Vice-Chair Larry Westfall, Commissioners Charles H. Dick, Jr., Lee Biddle

Excused – Commissioners Gil Cabrera, Karen Thomas-Stefano

Staff – Executive Director Stacey Fulhorst, Senior Investigator Lauri Davis, General Counsel Cristie C. McGuire, Program Manager Steve Ross, Financial Investigator Dee Dee Alari, and Executive Secretary Katherine Hunt

Item-3: Approval of Commission Minutes

Approval of December 8, 2005, Ethics Commission Minutes

Motion: Approve
Moved/Seconded: Dick/Biddle
Vote: Unanimous
Excused: Cabrera, Stefano

Item-4: Non-Agenda Public Comment

None

Item-5: Commissioner Comment

Commissioner Westfall requested that a summary be provided at the next meeting detailing the status of the campaign audits from the 2004 election cycle.

Item-6: Executive Director Comment

Director Fulhorst reported on the following matters:

- The Ethics Commission Annual Report for calendar year 2005 has been issued and is posted on the website. She advised in the past it has been docketed as a Rules Committee discussion item and because of current pressing issues facing the City, was just distributed to the Mayor and Council. She also mentioned that all the updates to the Fact Sheets for the new campaign laws that went into effect January 11, 2006, have been posted to the website. In addition, staff has created a new, comprehensive Fact Sheet for campaign advertising that presents the different ways an organization can participate in an election. She added that staff is also in the process of updating the Frequently Asked Questions on the Commission's website
- Director Fulhorst and Chairwoman Leonard recently met with Jo Anne SawyerKnoll, the Mayor's newly appointed Director of Ethics and Integrity. She reported that SawyerKnoll also is concerned about preventing any duplication of resources between the two ethics offices. She advised that SawyerKnoll agreed that it would be beneficial to send out a joint communication to City employees explaining the duties and responsibilities that are included within the purview of each office in order to prevent confusion.
- She advised that Common Cause will have its first meeting of 2006 on Saturday, January 21 at the Point Loma Library.

Item-7: General Counsel Comment

None

Item-8: Proposed Amendments to Municipal Lobbying Ordinance

Director Fulhorst presented the staff report to the Commission. She suggested that it may be appropriate for the Commission to consider the purpose and intent of the lobbying ordinance at the outset. She pointed out that once a general consensus is reached regarding this issue, it will affect other provisions in the ordinance and the related staff recommendations. She emphasized that the most important policy issue to be considered by the Commission is the registration threshold.

Commissioner Biddle asked for input from the lobbyists present regarding contingency lobbying and indirect payments.

Melvin Shapiro commented that he believes public officials should be required to report lobbying contacts to eliminate the burden on lobbyists.

Simon Mayeski presented his comments as set forth in a letter to the Commission.

Jim Sutton commented on behalf of the San Diego Public Affairs Working Group and made the following suggestions:

- Use a contact test to determine who should register and have the Commission adopt clear guidelines with respect to this issue.
- Have unpaid advocates register as lobbyists when they are acting on behalf of an organization when the organization is not registered.
- Require registration by a firm or organization instead of an individual.
- Contract lobbyist should only be allowed to register after obtaining signed authorization from their client.
- Individuals who lobby in connection with a contingency fee contract should be required to register.

Eric Bruvold spoke on behalf of the San Diego Regional Economic Development Corporation. He commented that some of the provisions of the ordinance were not clear regarding registration and recommended the Commission consider the following issues with respect to any prospective changes:

- Regulations pertaining to individuals who work for 501(c)(3) and 501(c)(6) organizations: it is unclear if they are required to register.
- Regulations pertaining to city contractors: communications with city officials are required as part of the contract process and the Commission needs to consider how the ordinance addresses this activity in relation to registration requirements.
- Employees of city agencies: employees engage in private communications with city officials with the intent of influencing municipal decisions.

Chairwoman Leonard asked Bruvold if he was referring to TOT applications and/or contracts. Bruvold confirmed that these applications were included.

Director Fulhorst pointed out that issue of 501(c)(3) organizations is addressed on page 6 of the lobbying laws chart prepared by staff. She advised the only exemption found was in Los Angeles and only exists for employees of a 501(c)(3) organization that provides services to the indigent.

Commissioner Dick suggested that staff prepare a summary of speaker comments received during the Commission meetings.

Chairwoman Leonard stated that the discussion concerning who should register will be continued to the next meeting.

Item-9: Adjournment to Closed Session

Chairwoman Leonard adjourned the meeting to Closed Session at approximately 6:00 p.m. She stated the Commission would reconvene into Open Session following the conclusion of Closed Session in order to report any action taken during the Closed Session portion of the meeting.

Reconvene to Open Session

Chairwoman Leonard called the meeting back into Open Session at approximately 6:55 p.m.

Reporting Results of Closed Session Meeting of January 12, 2006

Chairwoman Leonard reported the results of the Closed Session meeting of January 12, 2006:

Item 1: Conference with Legal Counsel (27 potential matters)

Case No. 2005-79 – In re: Alleged Financial Interest in Contract and Alleged Failure to Disqualify from Decisions Involving Economic Interests

Motion: Initiate Investigation

Moved/Seconded

Vote: Unanimous

Excused: Cabrera, Stefano

**Case Nos. 2005-80, 2005-82 through 2005-97, 2006-01 through 2006-05
In re: Alleged Failure to File Statement of Economic Interests**

Motion: Initiate Investigation
Moved/Seconded
Vote: Unanimous
Excused: Cabrera, Stefano

Case No. 2005-98 – In Re: Alleged Failure to File Statement of Economic Interests

Motion: Initiate Investigation
Moved/Seconded
Vote: Unanimous
Excused: Cabrera, Stefano

Case No. 2006-06 – In Re: Alleged Failure to Disclose Independent Expenditure and to Include “Paid for By” on Advertisement

Motion: Initiate Investigation
Moved/Seconded
Vote: Unanimous
Excused: Cabrera, Stefano

Case No. 2006-07 – In Re: Alleged Contributions in Excess of Limit and Contributions from Organizations

Motion: Initiate Investigation
Moved/Seconded
Vote: Unanimous
Excused: Cabrera, Stefano

Case No. 2006-08 – In Re: Alleged Contribution in Excess of Limit and Contributions from Organization

Motion: Initiate Investigation
Moved/Seconded
Vote: Unanimous
Excused: Cabrera, Stefano

Item 2: Conference with Legal Counsel (4 potential matters)

Case No. 2005-02 – In Re: Alleged Failure to Register as a Lobbyist

No Reportable Action Taken

Case No. 2005-14 – In Re: Alleged Failure to Register as a Lobbyist

Motion: Dismiss
Moved/Seconded
Vote: Unanimous
Excused: Cabrera, Stefano

Case No. 2005-19 – In Re: Alleged Illegal Campaign Contribution

Motion: Dismiss
Moved/Seconded
Vote: Unanimous
Excused: Cabrera, Stefano

Case No. 2005-20 – In Re: Alleged Failure to Obtain Required Contributor Information

Motion: Dismiss
Moved/Seconded
Vote: Unanimous
Excused: Cabrera, Stefano

Adjournment

The meeting adjourned at approximately at 7:00 p.m.

Dorothy Leonard, Chairwoman
Ethics Commission

Katherine Hunt, Executive Secretary
Ethics Commission

***THIS INFORMATION WILL BE MADE AVAILABLE IN ALTERNATIVE FORMATS
UPON REQUEST.***