



**Minutes for Meeting of
Thursday, July 8, 2010**

Item-1: Call to Order

Commission Chair Westfall called the meeting to order at 5:00 p.m.

Item-2: Roll Call

Present – Commission Chair Larry Westfall, Commission Vice-Chair Lee Biddle, Commissioners Clyde Fuller, John O’Neill, and Bud Wetzler

Staff – Executive Director Stacey Fulhorst, General Counsel Alison Adema, Program Manager Steve Ross, Senior Investigator Lauri Davis and Executive Secretary Kathy Hunt

Item-3: Approval of Commission Minutes

Approval of Ethics Commission Minutes of June 10, 2010

Motion: Approve
Moved/Seconded: O’Neill/Fuller
Vote: Carried Unanimously

Item-4: Non-Agenda Public Comment

None

Item-5: Commissioner Comment

See comments below in connection with General Counsel resignation.

Item-6: Executive Director Comment

See comments below in connection with General Counsel resignation.

Item-7: General Counsel Comment

Ms. Adema announced that she is leaving the Ethics Commission to return to private practice. She commented that it has been a very rewarding and stimulating experience working for the Commission. She noted that she will miss the Commissioners and staff and will follow the Commission's activities.

Director Fulhorst noted that through Ms. Adema's efforts, the staff's knowledge of administrative hearing procedures was greatly enhanced. She thanked Ms. Adema for her hard work and wished her well with her new endeavor.

Commissioner Fuller stated that Ms. Adema will be missed.

Commissioner Biddle noted that Ms. Adema was the Commission's first full-time attorney and that she successfully handled the many challenging matters that came before the Commission during the last several years.

Commission Chair Westfall added that he will also miss Ms. Adema and wished her the best.

Item-8: Impacts of Recent Litigation on Election Campaign Control Ordinance

Director Fulhorst presented the staff report regarding issues related to the impact of the *Thalheimer* litigation on the Election Campaign Control Ordinance. She explained that the first issue concerned disclosure rules previously adopted to ensure that general purpose recipient committees making independent expenditures to support or oppose City candidates were complying with contribution limits and source restrictions. Because of the Court's ruling on the preliminary injunction resulted in the lifting of contribution limits and source restrictions for committees making independent expenditures, there is no longer a need for the additional disclosure requirements.

In addition, as discussed at the last Commission meeting, the Court also ruled that political parties are permitted to make contributions directly to City candidates. Director Fulhorst pointed out that contribution limits and source restrictions still apply to political party contributions made directly to city candidates. However, she explained that because the City currently has a \$1,000 limit on contributions from political parties to candidates, additional disclosures are not necessary because the \$1,000 limit will prevent the circumvention of the City's \$500 contribution limit.

In light of these recent developments, the staff recommends that for so long as the City is enjoined from enforcing contribution limits and source prohibitions on committees that make independent expenditures, and for so long as the \$1,000 contribution limit for political parties is in place, the Commission refrain from enforcing the additional disclosure requirements. She advised that if the Commission concurs with the staff recommendation, the staff will communicate through the Commission's "interested persons" list that the Commission will not be pursuing enforcement of the additional disclosures provisions at this time. She

added that staff will continue to present relevant issues to the Commission as the litigation progresses.

Motion: To concur with staff recommendation that for so long as the city is enjoined from enforcing source and amount restrictions on committees that make independent expenditures, and for so long as there is a \$1,000 contribution limit in place for political party contributions, Municipal Code sections 27.2930(b), 27.2930(c), and 27.2936(d) not be enforced by the Commission.

Moved/Seconded: O'Neill/Biddle

Vote: Carried Unanimously

Commission Chair Westfall asked if there were any questions regarding the staff response to the matter raised by Commissioner O'Neill at the last Commission meeting regarding the origin of the state's \$50,000 advertising disclosure threshold in connection with ballot measures.

Commissioner O'Neill noted that, as reflected in the staff report, there was no information available regarding the rationale for this disclosure threshold.

Item-9: Release of Investigative Files – Ad Hoc Committee

This item was docketed in order for the Commission to appoint an ad hoc committee to address a request from another law enforcement agency for copies of the Commission's investigative files.

Chairman Westfall reported that Commissioners Wetzler and O'Neill have agreed to serve on the committee.

Item-10: Adjournment to Closed Session

Commission Chair Westfall adjourned the meeting to Closed Session at approximately 5:20 p.m. He 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

Commission Chair Westfall called the meeting back into open session at approximately 6:05 p.m.

Reporting Results of Closed Session Meeting of July 8, 2010

Commission Chair Westfall reported the results of the Closed Session Meeting of July 8, 2010:

Item-1: Conference with Legal Counsel (26 potential matters)

Case Nos. 2010-40 & 2010-41 - In Re: Alleged Failure to File Lobbyist Quarterly Disclosure Report

Motion: Initiate Investigation
Vote: Carried Unanimously

Case No. 2010-42– In Re: Alleged Failure to File Campaign Statements

Motion: Initiate Investigation
Vote: Carried Unanimously

Case No. 2010-43 – In Re: Alleged Failure to File Campaign Statements

Motion: Initiate Investigation
Vote: Carried Unanimously

Case No. 2010-44 – In Re: Alleged Misuse of Campaign Funds

Motion: Initiate Investigation
Vote: Carried Unanimously
Recused: O’Neill

Case No. 2010-45 - In Re: Alleged Failure to File Campaign Statements

Motion: Initiate Investigation
Vote: Carried Unanimously

Case Nos. 2010-46 through 2010-65 – In Re: Alleged Failure to File Statements of Economic Interests

Motion: Initiate Investigations
Vote: Carried Unanimously

Item-2: Conference with Legal Counsel (1 potential matter)

Case No. 2010-07 – In Re: Bartell & Associates - Alleged Failure to Timely File Lobbying Quarterly Disclosure Report

Motion: Approve Stipulation
Vote: Carried Unanimously

Item-3: Conference with Legal Counsel (1 potential matter)

Case No. 2008-79 – In Re: - Dante Dayacap - Alleged Misuse of City Position

No Reportable Action

Item-4: Conference with Legal Counsel (1 potential matter)

**Case No. 2008-64 – In Re: San Diego Safe Beaches Coalition and Jacob Pyle
In Re: Alleged Failure to Include “Paid for by” Disclosure on Campaign
Literature**

Motion: Approve Stipulation

Vote: Carried Unanimously

Adjournment

The meeting adjourned at approximately 6:08 p.m.

Larry Westfall, Commission Chair
Ethics Commission

Katherine Hunt, Executive Secretary
Ethics Commission

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REQUEST.***