



**Minutes for Meeting of
Thursday, January 20, 2011**

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, Vice-Chair Lee Biddle, Commissioners Faye Detsky-Weil, Clyde Fuller, William Howatt, John O’Neill and Bud Wetzler

Staff – Executive Director Stacey Fulhorst, General Counsel Christina Cameron, 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 December 9, 2010

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

Item-4: Non-Agenda Public Comment

None

Item-5: Commissioner Comment

None

Item-6: Executive Director Comment

Director Fulhorst welcomed Chris Cameron, the Commission's new General Counsel. She commented on Ms. Cameron's qualifications and noted that Ms. Cameron has a long history of public service with the City and has worked with the Ethics Commission on various matters.

Director Fulhorst reported on the Ethics Commission's budget. The City has begun working on the Fiscal Year 2012 budget. She met with the City's Chief Operating Officer and Chief Financial Officer to review the Commission's Fiscal Year 2012 budget. She reported that they have agreed to the requested reallocation of budgeted funds in order for the Commission to retain the law firm of Stutz, Artiano to provide general counsel legal services. She advised that they did not ask the Commission to make any additional budget cuts for Fiscal Year 2012.

Item-7: General Counsel Comment

Ms. Cameron commented that she has spent the past several weeks familiarizing herself with Ethics Commission matters.

Item-8: Application of Pre-Election Fundraising Time Constraints to 2012 Primary Election (continued from previous commission meeting)

Director Fulhorst commented that at the last meeting, the Commission considered the possibility that the statewide 2012 primary election date might be moved from June to March or April in order to consolidate it with the presidential primary. She noted that staff presented this matter in order to receive guidance from the Commission with respect to the interpretation of the City's twelve month pre-election fundraising time limit.

She reported that, since the last Commission meeting, a bill was introduced in the State Assembly to combine the state's primary and presidential elections in June. As a result of this development, she indicated that the Ethics Commission does not need to continue discussion of this issue at this time. She added that the Commission could re-open discussion of this issue if and when a competing bill is introduced that would move the primary up to March or April of 2012. In the meantime, she indicated that staff will monitor the progress of the current bill and report back at the February Commission meeting.

(There were no questions or comments from the Commission.)

Item-9: Identification Disclosure on Billboard Advertisements

Director Fulhorst explained that during previous City elections, a common concern voiced by the public was the lack of information regarding the identity of the person or committee who paid for campaign advertising. As a result, the City adopted laws in 2005 that require campaign ads to include a "paid for by" disclosure. With respect to billboard advertisement, the "paid for by" disclosure must constitute at least five percent of the height of the billboard.

She reported that, during the last election cycle, it came to the staff's attention that the five percent height requirement could be interpreted to apply to several lines of text in a disclosure, instead of the font size. According to Ms. Fulhorst, this interpretation would allow a committee to create a lengthy disclosure that is essentially illegible, which would contradict the purpose and intent of the law.

She explained that, to ensure the "paid for by" disclosures provide clear and legible information, staff recommends that this section of the Municipal Code be interpreted to mean that the five percent height rule applies to the font size in the disclosure.

Commissioner O'Neill questioned whether the Municipal Code should be amended to reflect this interpretation and whether the City Attorney should be consulted.

Director Fulhorst responded that there are a number of changes that need to be made to the City's campaign laws after the conclusion of the *Thalheimer* litigation, and that this proposed change would be included with the other amendments. She indicated she could consult with the Criminal Division of City Attorney's Office to determine if they will interpret the campaign laws in a similar manner for purposes of misdemeanor enforcement.

Ms. Cameron expressed her support for the recommended interpretation.

Commissioner Howatt questioned which office would be the first to provide an interpretation of the disclosure requirement.

Director Fulhorst explained that the Ethics Commission would interpret this provision in connection with its administrative enforcement of the City's campaign laws, and that the City Attorney's Office would interpret it separately for the purpose of misdemeanor enforcement.

Motion: To interpret Municipal Code section 27.2972(b) to mean that the five percent height requirement for disclosures on billboard advertisements applies to the vertical font size.

Moved/Seconded: Howatt/Biddle

Vote: Carried Unanimously

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 6:00 p.m.

Reporting Results of Closed Session Meeting of January 20, 2011

Commission Chair Westfall reported the results of the Closed Session Meeting of January 20, 2011.

Item-1: Conference with Legal Counsel (9 potential matters)

Case No. 2011-08 - In Re: Alleged Failure to Correctly Report Economic Interests

Motion: Dismiss

Vote: Carried Unanimously

Case No. 2011-09 – In Re: Alleged Misuse of City Position and Alleged Violation of Post-Employment Lobbying Laws

Motion: Initiate Investigation

Vote: Carried Unanimously

Case Nos. 2011-01 through 2011-07 – In Re: Alleged Failure to Timely File Third Quarter Lobbying Disclosure Reports

Motion: Initiate Investigations

Vote: Carried Unanimously

Item-2: Conference with Legal Counsel (8 Potential Matters)

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

No Reportable Action

Case No. 2010-79 – In Re: Alleged Failure to Timely File Lobbying Quarterly Disclosure Report

Motion: Dismiss

Vote: Carried Unanimously

Case No. 2010-80 – In Re: Julie Hamilton - Alleged Failure to Timely File Lobbying Quarterly Disclosure Report

Motion: Approve Stipulation

Vote: Carried Unanimously

Case No. 2010-81 – In Re: Alleged Failure to Timely File Lobbying Quarterly Disclosure Report

Motion: Dismiss

Vote: Carried Unanimously

Case No. 2010-82 – In Re: Alleged Failure to Timely File Lobbying Quarterly Disclosure Report

Motion: Dismiss

Vote: Carried Unanimously

Case No. 2010-83 – In Re: Larry Baza - Alleged Failure to Timely File Assuming Office Statement of Economic Interests

Motion: Approve Stipulation

Vote: Carried Unanimously

Case No. 2010-84 – In Re: Alleged Failure to Timely File Assuming Office Statement of Economic Interests

Motion: Dismiss

Vote: Carried Unanimously

Case No. 2010-85 – In Re: Alleged Failure to Timely File Leaving Office Statement of Economic Interests

Motion: Dismiss

Vote: Carried Unanimously

Adjournment

The meeting adjourned at approximately 6:05 p.m.

Larry Westfall, Commission Chair
Ethics Commission

Katherine Hunt, Executive Secretary
Ethics Commission

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