

- **Board of Directors**
Subcommittee on Rules and Ethics
Executive Committee

November 19, 2002 Board Meeting

9-6

Subject

Amend Administrative Code “Revolving Door” provision

Description

The Subcommittee on Rules and Ethics and the Executive Committee considered amendments to Administrative Code § 7305, the “Revolving Door” policy, at their meetings on August 27, 2002. The proposed revisions added criteria to be applied when considering a waiver of this provision pursuant to subsection D of § 7305. After the Subcommittee on Rules and Ethics approved the proposed revisions, the Executive Committee instead recommended deletion of the waiver contained in subsection D.

At the Board of Directors meeting on September 10, 2002, this matter was referred back to the Subcommittee on Rules and Ethics to consider possible expansion of the “Revolving Door” policy to include Metropolitan employees as well as officers, in addition to discussing removal of the waiver in subsection D.

As currently drafted, the “Revolving Door” policy prohibits Metropolitan’s directors from representing non-governmental entities before Metropolitan for compensation for one year after leaving office. Furthermore, Metropolitan’s officers may not, for one year after leaving office, represent non-governmental entities before Metropolitan for compensation with respect to any issues over which the applicable officer had decision-making authority during the three years prior to leaving office. The officers, subject to the existing policy, are the Chief Executive Officer, General Counsel, General Auditor and their principal assistants (the Chief Operating Officer, Group Managers of Corporate Resources, Water System Operations, Water Resources Management, External Affairs, and Chief Financial Officer; the Assistants General Counsel; and the Assistant General Auditor), the Controller, the Treasurer, the Executive Secretary and the Deputies General Counsel.

Expanding the policy to employees as well as officers of Metropolitan would preclude former employees who had decision-making authority while employed by Metropolitan from appearing before Metropolitan or attempting to influence Metropolitan’s officers with respect to matters formerly within the scope of their authority, if they receive compensation for such representation. This expansion is recommended because it would apply the same restrictions to all Metropolitan employees with decision-making authority over contracts, whether or not they are designated as officers under the Administrative Code.

This proposal would make the “Revolving Door” policy consistent with laws applicable to former employees of state administrative agencies. Former state employees with decision-making authority may not represent any person for compensation before a state administrative agency for one year after leaving employment, for the purpose of influencing legislative or administrative action of any agency, officer or employee for which the employee worked during the 12 months prior to leaving employment. (Government Code § 87406)

Attachment 1 shows § 7305, amended to (i) remove the waiver provision as recommended by the Executive Committee and (ii) expand the applicability of the “Revolving Door” prohibitions to non-officer employees.

Attachment 2 shows § 7305, amended only to remove the waiver.

Policy

Metropolitan Water District Administrative Code § 7305: “Revolving Door” Policy

California Environmental Quality Act (CEQA)

CEQA determination for Options #1 and #2:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as personnel-related actions, general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not subject to CEQA pursuant to Sections 15378(b)(2) and 15061(b)(3) of the State CEQA Guidelines.

CEQA determination for Option #3:

None required

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and amend the Administrative Code as shown in [Attachment 1](#).

Fiscal Impact: None

Option #2

Adopt the CEQA determination and amend the Administrative Code as shown in [Attachment 2](#).

Fiscal Impact: None

Option #3

Do not amend the Administrative Code.

Fiscal Impact: None

Staff Recommendation

Option #1


Charisse L. Anderson
Ethics Officer

10/16/2002
Date

Attachment 1 – Deletion of waiver provision and impose restrictions on employees who had decision making authority

Attachment 2 – Deletion of waiver provision

**Deletion of waiver provision and impose restrictions
on employees who had decision making authority**

§ 7305. “Revolving Door” Policy.

- A. For a period of one year after leaving office or employment with Metropolitan,
1. Directors shall not represent for compensation non-governmental entities before Metropolitan.
 2. Other officers of Metropolitan (as identified in Administrative Code Section 6400) and Metropolitan employees shall not represent for compensation non-governmental entities before Metropolitan with regard to any issues over which that officer or employee had decision-making authority during the three years prior to leaving office or employment.
- B. For purposes of this Section, “represent” shall mean for compensation to actively support or oppose a particular decision in a proceeding by lobbying in person the officers or employees of Metropolitan, testifying in person before Metropolitan, or otherwise acting to influence the officers of Metropolitan.
- C. These restrictions shall not apply to representation of not-for-profit charitable entities before Metropolitan.
- ~~D. These restrictions may be waived in specific cases by a two-thirds vote of the Board of Directors.~~

Deletion of waiver provision

§ 7305. “Revolving Door” Policy.

- A. For a period of one year after leaving office,
 - 1. Directors shall not represent for compensation non-government entities before Metropolitan.
 - 2. Other officers of Metropolitan (as identified in Administrative Code Section 6400) shall not represent for compensation non-governmental entities before Metropolitan with regard to any issues over which that officer had decision-making authority during the three years prior to leaving office.
- B. For purposes of this Section, “represent” shall mean for compensation to actively support or oppose a particular decision in a proceeding by lobbying in person the officers or employees of Metropolitan, testifying in person before Metropolitan, or otherwise acting to influence the officers of Metropolitan.
- C. These restrictions shall not apply to representation for not-for-profit charitable entities before Metropolitan.
- ~~D. — These restrictions may be waived in specific cases by a two-thirds vote of the Board of Directors.~~