

- **Board of Directors**
Ethics Committee

December 13, 2005 Board Meeting

7-4

Subject

Amend Administrative Code to include Ethics Training required by Assembly Bill 1234

Description

AB 1234, which goes into effect on January 1, 2006, requires ethics training for all members of Metropolitan's Board of Directors, as well as any employees designated by the Board to also receive this training. Although this training obligation is separate from the ethics training already mandated by Section 126.7 of the Metropolitan Water District Act (MWD Act), it overlaps many of the subject areas required by the MWD Act, and many training sessions will likely satisfy both requirements. The new law requires at least two hours of training every two years in general ethics principles and ethics laws relevant to the public service of these officers and employees; however, the initial two hours of training must be completed by January 1, 2007 or within one year of starting service. Ethics laws include the following: laws relating to personal financial gains, including laws prohibiting bribery and conflicts of interest laws relating to the prerequisites of office, such as gift and travel restrictions and prohibitions against improper use of public funds, financial interest disclosure requirements, and open meeting laws. The Attorney General and the Fair Political Practices Commission (FPPC) are developing curricula, including self-study materials, to comply with these new requirements, and must be consulted concerning the sufficiency and accuracy of any course content proposed by local agencies for their members and designated employees. Metropolitan must keep records on the satisfaction of these requirements by each Director and employee designated by the Board to receive this training, including the date the course was taken and the entity that provided the training.

It is proposed that the Board amend the Administrative Code to designate the Metropolitan employees who will be required to satisfy the ethics training requirements of AB 1234, along with members of the Board, and to give the Ethics Officer responsibility for maintaining the necessary records. The proposed amendments designate the officers of Metropolitan, as set forth in Administrative Code Section 6400, as the Metropolitan employees required to satisfy the ethics training requirements of AB 1234. This includes all department heads and their principal assistants, as well as the Controller, Treasurer, Executive Secretary and Deputies General Counsel. As Metropolitan's officers, they are Metropolitan employees who need to be familiar with the specific ethics principles and laws being taught to Metropolitan's Directors. **Attachment 1** sets forth proposed language to be added to the Administrative Code, as Section 6474.

Policy

Government Code Section 53234(c)(2): Ethics training
Metropolitan Water District Administrative Code Section 6470 et seq.: Metropolitan's ethics rules and training

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves continuing administrative activities, such as 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 #2:

None required

Board Options/Fiscal Impacts

Option #1

Adopt the CEQA determination and approve the amendment to the Administrative Code set forth in **Attachment 1** to designate Metropolitan officers for ethics training required by the Government Code.

Fiscal Impact: Minor costs for providing the specified training to additional people

Option #2

Do not designate any employees for ethics training required by the Government Code, leaving their ethics training to the Ethics Officer and the requirements of Section 126.7 of the MWD Act.

Fiscal Impact: Minor costs for providing the specified training to additional people

Staff Recommendation

Option #1


Dent Elliot
Ethics Officer

11/15/2005

Date

Attachment 1 – The Administrative Code of The Metropolitan Water District of Southern California (showing addition)

BLA #4040

**THE ADMINISTRATIVE CODE OF
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**
(showing addition)

Article 5

ETHICS OFFICER

§ 6474. Ethics Training Required by Government Code

- (a) The Ethics Officer is responsible for monitoring compliance, and maintaining the records of compliance, of directors and employees designated by the Board with the specific ethics training requirements set forth in the Government Code (Title 5, Division 2, Part 1, Ch. 2, Art. 2.4; commencing with Section 53234).
- (b) The officers set forth in Section 6400 are designated as “local agency officials” to receive the ethics training required by Title 5, Division 2, Part 1, Ch. 2, Art. 2.4 of the Government Code.