



REDWOOD COAST EnergyAuthority

STAFF REPORT Agenda Item # 4.5

AGENDA DATE:	June 27, 2024
TO:	Board of Directors
PREPARED BY:	Eileen Verbeck, Interim Executive Director Nancy Diamond, RCEA General Counsel
SUBJECT:	Conflict of Interest Code Biennial Review and Amendment and Board Operating Guidelines Revision

BACKGROUND

The Political Reform Act requires every local government agency to review its Conflict of Interest Code biennially. RCEA's Conflict of Interest Code identifies designated positions within the agency which make or participate in the making of decisions that may foreseeably have a financial effect on their own financial interests. For each of these positions, the Conflict of Interest Code designates the types of investments, business decisions, investments in real property, or sources of income that must be disclosed each year on a Statement of Economic Interests (Form 700).

Senate Bill 1100, signed into law in September 2022, went into effect on January 1, 2023. The bill amends the Brown Act to allow the presiding member of legislative bodies to have an individual removed for disrupting a meeting of the body. In a changing atmosphere of public discourse, government agency best practice suggests capturing procedures for addressing disruptive meeting behavior in policies before issues arise.

SUMMARY

The Humboldt Bay Municipal Water District and Tribal Government representatives are not required as part of their service to disclose economic interests in the same manner required by the Political Reform Act of RCEA's County or municipal government members. RCEA Board members are entrusted with RCEA's leadership and held to high ethical standards to maintain public trust in the agency. Staff and RCEA General Counsel propose revising both the RCEA Board Operating Guidelines and the agency's Conflict of Interest Code to reflect that all Board Directors are required to undergo AB 1234 ethics training and to file a Form 700 upon assuming office, annually, and when leaving office.

After approval by the RCEA Board, the amended Conflict of Interest Code must be forwarded to the Code Reviewing Body for review and approval, in this case, the Humboldt County Board of Supervisors.

Staff and General Counsel also recommend capturing the recent Brown Act change enabled meeting disruption procedure and a process to remove a Board Member for cause to successfully implement RCEA's mission and purposes. For the purposes of the Board Operating Guidelines "cause" is defined as unexcused absences from three or more consecutive Board meetings, unauthorized disclosure of confidential information, or failure to comply with RCEA's Conflict of Interest Code. Removal of a Board Member for cause would require a two-thirds vote by the Board of Directors.

ALIGNMENT WITH [RCEA'S STRATEGIC PLAN](#)

N/A – Operations.

EQUITY IMPACTS

N/A – Operations.

FINANCIAL IMPACT

None.

STAFF RECOMMENDATION

Adopt Resolution 2024-7 Adopting Amended Board Operating Guidelines to Include Revised Meeting Procedures and Transparency Requirements and an Amended Conflict of Interest Code Due to Changed Board Membership.

Authorize the Board Clerk to Submit the Amended Conflict of Interest Code to the Humboldt County Board of Supervisors as the Code Reviewing Body.

ATTACHMENTS

1. Resolution No. 2024-7 Adopting an Amended Conflict of Interest Code and Amended Board Operating Guidelines
2. Attachment A: Proposed Amended RCEA Conflict of Interest Code (redlined version)
3. Attachment B: Proposed Amended Board Operating Guidelines (redlined version)