

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 2.11  
(ID # 11195)**

**MEETING DATE:**

Tuesday, November 19, 2019

**FROM : COUNTY COUNSEL:**

**SUBJECT: COUNTY COUNSEL:** Approval of the Conflict of Interest Code for Riverside County Public Agency Energy Alliance; District All; [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the Conflict of Interest Code of the Riverside County Public Agency Energy Alliance; and
2. Direct the Clerk of the Board to notify the Riverside County Public Agency Energy Alliance of the action taken.

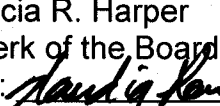
**ACTION: Consent**

---

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, seconded by Supervisor Hewitt and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: November 19, 2019  
xc: Co. Co., COB

Kecia R. Harper  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: N/A</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	N/A

**C.E.O. RECOMMENDATION:** [CEO use]

**BACKGROUND:**

**Summary**

The Political Reform Act prohibits a public official from using his or her position to influence a government decision in which he or she has a financial interest. Government Code section 87300 requires local government agencies to adopt and promulgate a Conflict of Interest Code identifying officials and employees required to file statements of economic interest based on the positions they hold. A local government agency, as defined by Government Code section 82041, includes the Riverside County Public Agency Energy Alliance.

Government Code sections 87300 and 87303 require newly created local government agencies to create and adopt a Conflict of Interest Code and submit a Conflict of Interest Code to the code reviewing body. Government Code section 82011(b) identifies the Board of Supervisors for the County of Riverside as the code reviewing body for a local government agency within its county.

The Riverside County Public Agency Energy Alliance was created in March, 2019 and recently adopted its Conflict of Interest Code on October 10, 2019. The Board of Directors for Riverside County Public Agency Energy Alliance has adopted Resolution No. 2019/20-04, adopting its Conflict of Interest Code. The Riverside County Public Agency Energy Alliance has submitted its Conflict of Interest Code for approval by the Board of Supervisors as the code reviewing body.

This office has reviewed the Conflict of Interest Code of the Riverside County Public Agency Energy Alliance and has found that it complies with statutory requirements. A complete copy of the Conflict of Interest Code of the Riverside County Public Agency Energy Alliance is attached.

It is recommended that the Board of Supervisors approve the Conflict of Interest Code of the Riverside County Public Agency Energy Alliance, and direct the Clerk of the Board to notify the Riverside County Public Agency Energy Alliance of the action taken.

**Impact on Residents and Businesses**

N/A

SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA

**Additional Fiscal Information**

N/A

**Contract History and Price Reasonableness**

N/A

**ATTACHMENTS:**

**Attachment A:** Resolution No. 2019/20-04

**Attachment B:** Riverside County Public Agency Energy Alliance Conflict of Interest Code

  
Susana Garcia-Bocanegra, Principal Management Analyst

10/23/2019

  
Gregory L. Priamos, Director County Counsel

10/23/2019

RESOLUTION NO. 2019/20-04

RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
RIVERSIDE COUNTY PUBLIC AGENCY ENERGY ALLIANCE  
ADOPTING A CONFLICT OF INTERESTS CODE

**WHEREAS**, the Riverside County Public Agency Energy Alliance ("Energy Alliance") is a joint powers entity created and existing: (i) in accordance with the Joint Exercise of Powers Act set forth at Government Code Section 6500 *et seq.*; and (ii) pursuant to that certain "Agreement for Joint Exercise of Powers Establishing the Riverside County Public Agency Energy Alliance" dated March 14, 2019; and

**WHEREAS**, the Political Reform Act of 1974 set forth at Government Code Section 81000 *et seq.* ("Political Reform Act") requires that each state and local government agency promulgate and adopt a conflict of interests code; and

**WHEREAS**, amendments to the Political Reform Act have in the past, and may in the future, require conforming amendments to the conflict of interests codes of state and local governmental agencies; and

**WHEREAS**, the California Fair Political Practices Commission ("FPPC") has promulgated regulations set forth in Title 2 Division 6, Section 18109 *et seq.* of the California Code of Regulations ("FPPC Regulations"); and

**WHEREAS**, Section 18730 of the FPPC Regulations sets forth the terms of a model conflict of interests code that may be incorporated by a state or local government agency as that agency's conflict of interests code, and that will thereafter be deemed to incorporate future amendments to the Political Reform Act and FPPC Regulations; and

**WHEREAS**, the Board of Directors of the Riverside County Public Agency Energy Alliance ("Board of Directors") anticipates that incorporation of the terms of Section 18730 of the FPPC Regulations will save the Energy Alliance time and money by minimizing the actions required to keep the Energy Alliance in conformance with the Political Reform Act;

**NOW, THEREFORE**, the Board of Directors hereby resolves, determines, and orders as follows:

**Section 1.** The Board of Directors hereby incorporates by reference Section 18730 of the FPPC Regulations and any duly adopted future amendments thereto, together with the designated positions and disclosure categories, as specified in Attachment A to this Resolution, which collectively shall constitute the conflict of interests code of the Energy Alliance ("Energy Alliance Conflicts Code").

**Section 2.** Each person holding any of the designated positions specified in the Energy Alliance Conflicts Code shall file statements of economic interests as required by the Energy Alliance Conflicts Code.

**Section 3.** The Board of Directors hereby authorizes and directs the Executive Officer of the Energy Alliance to provide a copy of this Resolution, including Attachment A, to the County of Riverside code reviewing body, for review and approval as required by the Political Reform Act.

**Section 4.** The Board of Directors hereby determines that the adoption of the Energy Alliance Conflicts Code is exempt from the requirements of the California Environmental Quality Act ("CEQA") because: (i) consistent with State CEQA Guidelines Section 15061(b)(3), it can be seen with certainty that there is no possibility adoption will have a significant effect on the environment; and (ii) consistent with State CEQA Guidelines Section 15268, adoption of the Energy Alliance Conflicts Code is a ministerial function.

**Section 5.** This Resolution shall take effect immediately upon approval and adoption by the Board of Directors.

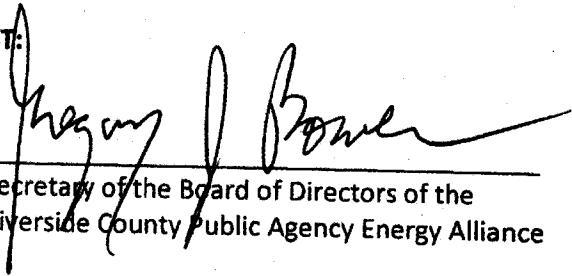
**APPROVED AND ADOPTED** by the Board of Directors of the Riverside County Public Agency Energy Alliance on October 10, 2019, as evidenced by the signatures, below, of its officers:

By:

  
Chair of the Board of Directors of the  
Riverside County Public Agency Energy Alliance

ATTEST:

By:

  
Secretary of the Board of Directors of the  
Riverside County Public Agency Energy Alliance

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF RIVERSIDE )

I, Dr. Gregory J. Bowers, Secretary of the Board of Directors of the Riverside County Public Agency Energy Alliance, do hereby certify that: (i) the Board of Directors duly adopted the foregoing Resolution No. 2019/20-04 during the open session of its organizational meeting held on October 10, 2019; (ii) notice and an agenda for such meeting were provided as required by law; (iii) a quorum of the Board of Directors was present and acting throughout such meeting; and (iv) the Board of Directors approved and adopted Resolution No. 2019/20-04 by the following vote:

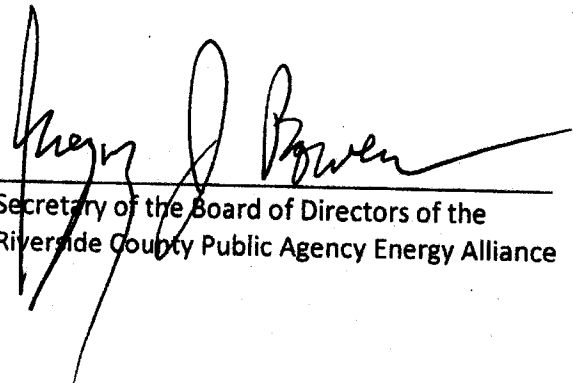
AYES: 4

NOES: 0

ABSTENTIONS: 0

ABSENTEES: 0

By:

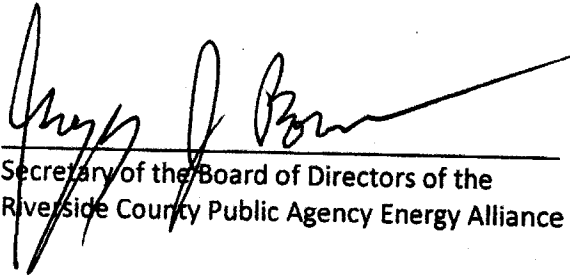
  
Secretary of the Board of Directors of the  
Riverside County Public Agency Energy Alliance

STATE OF CALIFORNIA )  
 ) ss.  
COUNTY OF RIVERSIDE )

I, Dr. Gregory J. Bowers, Secretary of the Board of Directors of the Riverside County Public Agency Energy Alliance, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. 2019/20-04 of the Board Directors, and that Resolution No. 2019/20-04 has not been amended or repealed and is fully effective as of the date specified below.

Dated: October 10, 2019

By:

  
Secretary of the Board of Directors of the  
Riverside County Public Agency Energy Alliance

**ATTACHMENT "A"**

***CONFLICT OF INTERESTS CODE***  
***OF THE***  
***RIVERSIDE COUNTY PUBLIC AGENCY ENERGY ALLIANCE***

***(Adopted October 10, 2019)***



**CONFLICT OF INTERESTS CODE  
OF THE  
RIVERSIDE COUNTY PUBLIC AGENCY ENERGY ALLIANCE  
(Adopted October 10, 2019)**

***Incorporation by Reference of Model Conflict of Interests Code  
(2 California Code of Regulations, Section 18730)***

The Political Reform Act (Government Code Section 81000 *et seq.*) requires that each state and local government agency adopt and promulgate a conflict of interests code. The Fair Political Practices Commission has adopted a regulation set forth at 2 California Code of Regulations, Section 18730 ("Section 18730"), that sets forth the terms of a model conflict of interests code. In accordance with Section 18730, the incorporation by reference of the terms of Section 18730, along with the designation of employees and formulation of disclosure categories, shall constitute the adoption and promulgation of a conflict of interests code within the meaning of the Political Reform Act. The Fair Political Practices Commission, after public notice and hearing, may amend Section 18730 to conform to amendments made to the Political Reform Act.

In accordance with the foregoing, the terms of Section 18730, and any amendments thereto as the Fair Political Practices Commission may duly adopt, are hereby incorporated by this reference into the conflict of interests code of the Riverside County Public Agency Energy Alliance ("Energy Alliance"). Therefore, Section 18730 and Exhibits "A" and "B" attached hereto, which Exhibits designate officials and employees and establish applicable economic disclosure categories, shall constitute the conflict of interests code of the Energy Alliance ("Conflict of Interests Code").

***Filing of Statements of Economic Interests***

The Executive Officer of the Energy Alliance ("Executive Officer") is the filing officer for purposes of the Conflict of Interests Code. Each person required by the Conflict of Interests Code to submit statements of economic interests shall file his or her statements with the Executive Officer, or his or her designee. A person required to file statements of economic interests pursuant to another agency's conflict of interests code, in lieu of filing separate and distinct statements in each jurisdiction, may expand his or her statement to cover interests in both jurisdictions and file the expanded statement with both agencies, provided that any copy must be signed and verified as if it were an original.

The Executive Officer shall make and retain a copy of each statement of economic interests filed by members of the Board of Directors of the Energy Alliance and by the Executive Officer, and shall forward the originals of such statements to the Clerk of the Board of Supervisors of the County of Riverside, California. The Executive Officer shall retain the original statements of economic interests filed by all other persons in any of the Designated Positions specified in the Conflict of Interests Code.

The Energy Alliance shall make all statements of economic interests filed with the Executive Officer available, in accordance with Government Code Section 81008, for public inspection and reproduction during the Executive Officer's regular business hours.

**EXHIBIT "A"**  
**TO THE CONFLICT OF INTERESTS CODE OF THE**  
**RIVERSIDE COUNTY PUBLIC AGENCY ENERGY ALLIANCE**

**DISCLOSURE CATEGORIES**

**Category 1:**

A person required to disclose information in this category shall disclose all interests in real property within the jurisdiction of the Energy Alliance.

Real property shall be deemed to be within the jurisdiction of the Energy Alliance if the property or any part of it is located within or not more than two miles outside the boundaries of the Energy Alliance's jurisdiction or within two miles of any land owned or used by the Energy Alliance. For purposes of disclosure, persons are not required to disclose interests in real property if the property is used primarily as his or her principal residence or for personal recreational purposes.

**Category 2:**

A person required to disclose information in this category shall disclose all reportable investments and business positions.

As defined in the Political Reform Act:

"Investment" means any financial interest in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, options, debt instruments, and any partnership or other ownership interest. If the business entity or any parent, subsidiary or otherwise related business within the jurisdiction at any time during the two years prior to the time any statement or other action is required under this title. No asset shall be deemed an investment unless its fair market value equals or exceeds two thousand dollars (\$2,000). The term "investment" does not include a time or demand deposit in a financial institution, shares in a credit union, any insurance policy, interest in a diversified mutual fund registered with the Securities and Exchange Commission under the Investment Company Act of 1940 or a common trust fund which is created pursuant to Section 1564 of the Financial Code, or any bond or other debt instrument issued by any government or government agency. Investments of an individual include pro rata share of investments of any business entity mutual fund, or trust in which the individual or spouse owns directly, indirectly or beneficially, a 10 percent or greater interest.

The Political Reform Act provides that a "business position" is a position of director, officer, partner, trustee, employee, or any position of management in any organization or enterprise operated for profit, including but not limited to a proprietorship, partnership, firm, business trust, joint venture, syndicate, corporation or association.

**Category 3:**

A person required to disclose information in this category shall disclose all reportable income and business positions.

As defined in the Political Reform Act:

"Income" means a payment received, including but not limited to any salary, wage, advance, dividend, interest, rent, proceeds from any sale, gift, including any gift of food or beverage, loan forgiveness or payment of indebtedness received by the filer, reimbursement for expenses, per diem, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in the income of a spouse. Income also includes any outstanding loans. Income of an individual also includes a pro rata share of any business entity or trust in which the individual or spouse owns, directly, indirectly or beneficially, a 10 percent interest or greater.

**Category 4:**

A person required to disclose information in this category shall disclose all business positions in, investments in, or income (including, without limitation, gifts and loans) received from, business entities that manufacture, provide or sell supplies or services of a type utilized by the Energy Alliance and associated with the job assignment of that person.

**Category 5:**

A person required to disclose information in this category, because he or she contracts to perform the duties of any officer of the Energy Alliance, shall disclose the categories of information (i.e., Categories 1, 2, 3 and/or 4, above) assigned to that designated position.

**Category 6:**

A person required to disclose information in this category, because he or she is a consultant under contract to the Energy Alliance and participates in making decisions (by providing information, advice and/or recommendations to the Energy Alliance) that could affect his or her own financial interests, shall disclose the categories of information (i.e., Categories 1, 2, 3 and/or 4, above) as determined in each case by the Executive Officer.

**EXHIBIT "B"**  
**TO THE CONFLICT OF INTERESTS CODE OF THE**  
**RIVERSIDE COUNTY PUBLIC AGENCY ENERGY ALLIANCE**

**CATEGORIES OF DISCLOSURE BY DESIGNATED POSITION**

Each person holding any of the following positions is a "designated person" and must, in his or her statement of economic interests, disclose his or her financial interests in the categories specified below for the position.

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Directors	1, 2, 3 and 4
Executive Officer	1, 2, 3 and 4
Treasurer-Auditor/Controller	1, 2, 3 and 4
Contract Officers	5
Contract Consultants	6

**OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

Notwithstanding the foregoing, with respect to Energy Alliance officials who manage public investments on behalf of the Energy Alliance, if and when the Energy Alliance has custody of cash assets, the following shall apply:

Each person holding a Designated Position with the Energy Alliance who manages public investments of the Energy Alliance shall file a Form 730 Statement of Economic Interests (or such other form as the Fair Political Practices Commission may specify) in accordance with Government Code Section 87200 *et seq.* ("Section 87200") and 2 California Code of Regulations, Section 18720 ("Section 18720"). Such filing shall be in lieu of any filing of a statement of economic interests as a designated person pursuant to this Conflict of Interests Code. Each such person shall report the financial interests as required by Form 730, Section 87200 and Section 18720, which reporting requirements may be broader than the categories of information specified in this Conflict of Interests Code.