

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



ITEM: 2.9
(ID # 13579)

MEETING DATE:
Tuesday, November 17, 2020

FROM : COUNTY COUNSEL:

SUBJECT: COUNTY COUNSEL: Approval of the Amended Conflict of Interest Code of the De Luz Community Services District, District 3. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

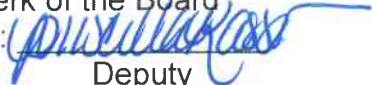
1. Approve the Amended Conflict of Interest Code of the De Luz Community Services District; and
2. Direct the Clerk of the Board to notify the De Luz Community Services District of the action taken.

ACTION: Consent

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Washington 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 17, 2020
xc: Co.Co., District, COB

Kecia R. Harper
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	N/A	N/A	N/A	N/A
NET COUNTY COST	N/A	N/A	N/A	N/A
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	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 De Luz Community Services District.

Each even-numbered year, Government Code section 87306.5 requires local government agencies to review their Conflict of Interest Code, make appropriate revisions, if necessary, and submit an amended 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 Board of Directors of the De Luz Community Services District recently adopted Resolution No. 2020-07 amending its Conflict of Interest Code on September 16, 2020 to include new positions, revise disclosure categories, and delete titles of positions that have been abolished and/or no longer make or participate in making governmental decisions. The De Luz Community Services District has submitted its amended Conflict of Interest Code for approval by the Board of Supervisors as the code reviewing body.

This office has reviewed the amended Conflict of Interest Code of the De Luz Community Services District and has found that it complies with statutory requirements. A complete copy of the amended Conflict of Interest Code of the De Luz Community Services District is attached.

It is recommended that the Board of Supervisors approve the amended Conflict of Interest Code of the De Luz Community Services District, and direct the Clerk of the Board to notify the De Luz Community Services District of the action taken.

ATTACHMENTS

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

ATTACHMENT A: RESOLUTION NO. 2020-07

ATTACHMENT B: CONFLICT OF INTEREST CODE OF THE DE LUZ COMMUNITY
SERVICES DISTRICT



Gregory L. Priantos, Director County Counsel 11/5/2020

RESOLUTION NO. 2020-07

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
DE LUZ COMMUNITY SERVICES DISTRICT ADOPTING
AN AMENDED CONFLICT OF INTEREST CODE
PURSUANT TO THE POLITICAL REFORM ACT OF 1974**

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code Section 81000 et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the De Luz Community Services District (the "District") and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the District being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, the Board of Directors adopted a Conflict of Interest Code (the "Code") which was amended in 2018, in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the District have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the District's Code; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed amended Conflict of Interest Code was provided each designated employee and publicly posted for review at the offices of the District; and

WHEREAS, a public meeting was held upon the proposed amended Conflict of Interest Code at a regular meeting of the Board of Directors on September 16, 2020, at which all present were given an opportunity to be heard on the proposed amended Conflict of Interest Code.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE DE LUZ COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The Board of Directors does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto and shall be on file with the Administrative Assistant and available to the public for inspection and copying during regular business hours.

SECTION 2. The said amended Conflict of Interest Code shall be submitted to the Board of Supervisors of the County of Riverside for approval.

SECTION 3. The said amended Conflict of Interest Code shall become effective immediately after the Board of Supervisors approves the proposed amended Code as submitted.

SECTION 4. That all previously adopted conflict of interest codes are rescinded upon approval of the proposed amended Conflict of Interest Code.

PASSED, APPROVED AND ADOPTED this 16th day of September, 2020.

AYES: Adams, Ardolino, Byers, D'Alessandri, Johnson _____

NOES: _____

ABSENT: _____

ABSTAIN: _____



Chairperson, Board of Directors
De Luz Community Services District

ATTEST:



Secretary, Board of Directors
De Luz Community Services District

DE LUZ COMMUNITY SERVICES DISTRICT CONFLICT OF INTEREST CODE

(Amended September 16, 2020)

1. Standard Code of FPPC

The Political Reform Act of 1974 (Gov. Code, SS 81000, et seq.) requires each state and local government agency to adopt and promulgate a conflict of interest code. The Fair Political Practices Commission ("FPPC") has adopted a regulation (2 Cal. Code of Regs., §18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the FPPC to conform to amendments in the Political Reform Act.

2. Adoption of Standard Code of FPPC

Therefore, the terms of 2 California Code of Regulations, section 18730, and any amendments to it duly adopted by the FPPC, are hereby incorporated by reference. This Incorporation Page, Regulation 18730 (attached) and the attached Appendix designating positions and establishing disclosure categories shall constitute the Conflict of Interest Code of De Luz Community Services District (the "District").

3. Filing of Statements of Economic Interests

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **Administrative Assistant** as the District's Filing Officer. The **Administrative Assistant** shall make and retain copies of all statements filed by members of the Board of Directors and the General Manager, and forward the originals of such statements to the Clerk of the Board of Supervisors for the County of Riverside. The **Administrative Assistant** shall retain the original statements filed by all other officials and designated positions and make all retained statements available for public inspection and reproduction during regular business hours. (Gov. Code §81008.)

FORM APPROVED COUNTY COUNSEL

BY: 
DANIELLE D. MALAND

APPENDIX
CONFLICT OF INTEREST CODE
OF THE
DE LUZ COMMUNITY SERVICES DISTRICT

(Amended September 16, 2020)

PART "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Officials who manage public investments, as defined by 2 Cal. Code of Regs. §18700.3(b), are NOT subject to the District's Code but must file disclosure statements under Government Code Section 87200 et seq. [Regs. § 18730(b)(3)]

It has been determined that the positions listed below are officials who manage public investments¹. These positions are listed here for informational purposes only.

Members, Board of Directors
General Manager
Investment Consultant

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Accounting Administrator	4
Administrative Assistant	5
Administrator/Office Manager	4
Finance Manager	4
General Counsel	1, 2
Maintenance Superintendent/District Inspector	5
Consultants and New Positions ²	

² Individuals serving as a consultant as defined in FPPC Reg. 18700.3(a) or in a new position created since this Code was last approved that makes or participates in making decisions must file under the broadest disclosure set forth in this Code subject to the following limitation:

The General Manager may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

PART "B"

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category for which he or she is assigned.³ "Investment" means financial interests in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in the jurisdiction of the District.

Category 1: All investment and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, that do business in or own real property within the jurisdiction of the District.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District, including any leasehold, beneficial or ownership interest or option to acquire property.

Category 3: All investment and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development construction or the acquisition or sale of real property within the jurisdiction of the District.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

³ This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

DE LUZ COMMUNITY SERVICES DISTRICT CONFLICT OF INTEREST CODE ~~–2018 Update~~

(Amended September 16, 2020)

1. Standard Code of FPPC

The Political Reform Act of 1974 (Gov. Code, SS 81000, et seq.) requires each state and local government agency to adopt and promulgate a conflict of interest code. ~~De Luz Community Services District ("DL CSD") has adopted heretofore such a code which should be revised and updated.~~ The Fair Political Practices Commission ("FPPC") has adopted a regulation (2 Cal. Code of Regs. , ~~518730~~§18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference ~~as a district's in an agency's~~ code. After public notice and hearing, the ~~regulation–standard code~~ may be amended by the FPPC to conform to amendments in the Political Reform Act.

2. Adoption of Standard Code of FPPC

~~Therefore, The the~~ terms of ~~Title 2,2~~ California Code of Regulations, section 18730, and any ~~future~~ amendments to it duly adopted by the FPPC, are hereby incorporated by reference. This ~~Incorporation Page, regulation–Regulation 18730 (attached) and the attached Appendix attached hereto~~ designating ~~officials and employees positions~~ and establishing disclosure categories shall constitute the Conflict of Interest Code of De Luz Community Services District (DLCSDDthe "District"). ~~This code shall take effect when approved by the Riverside County Board of Supervisors and shall thereupon supersede all prior codes adopted by DLCSDD.~~

3. Filing of Statements of Economic Interests

~~Pursuant to Section 4 of the standard code,~~All officials and designated employees positions required to submit a statement of economic interests ~~set forth in the Appendix~~ shall file ~~their~~ statements ~~of economic interests~~ with the ~~executive secretary–Administrative Assistant of as DLCSDDthe District's Filing Officer,~~. Upon receipt of the statements of the members of the Board of Directors and the General Manager, the ~~The executive secretary–Administrative Assistant~~ shall make and retain copies of all statements filed by members of the Board of Directors and the General Manager, and forward the originals of ~~these such~~ statements to the Clerk of the Board of Supervisors for the County of Riverside. ~~Statements for all other designated employees shall be retained by DLCSDD. The Administrative Assistant shall retain the original statements filed by all other officials and designated positions and make all retained statements available for public inspection and reproduction during regular business hours. (Gov. Code §81008.)~~

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

DE LUZ COMMUNITY SERVICES DISTRICT

(Amended September 16, 2020)

General Provisions:

~~4. Designated employees listed in Column I must disclose investments in the business entities and sources of income which manufacture, distribute, sell or supply the goods or services listed in Column II. The General Manager and active Board members are not listed as they are mandatory reporters under Government Code Section section 87200, as they manage public investments.~~

~~5. Investments in any business entity or sources of income which are entities or persons engaged in the indicated Disclosure Categories set forth below,~~

PART "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Officials who manage public investments, as defined by 2 Cal. Code of Regs. §18700.3(b), are NOT subject to the District's Code but must file disclosure statements under Government Code Section 87200 et seq. [Regs. § 18730(b)(3)]

It has been determined that the positions listed below are officials who manage public investments¹. These positions are listed here for informational purposes only.

Members, Board of Directors

General Manager

¹ Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
<u>Candidates Running for Board</u>	<u>ALL</u>
<u>Accounting Administrator</u>	<u>4</u>
<u>Administrative Assistant</u>	<u>5</u>
<u>Administrator/Office Manager</u>	<u>ALL⁴</u>
<u>Finance Manager</u>	<u>4</u>
<u>General Counsel</u>	<u>ALL^{1, 2}</u>
<u>Maintenance Superintendent/District Inspector</u>	<u>5</u>

Consultants and New Positions²

~~*The General Counsel of the District may determine in writing that a particular consultant, although a "designated person," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. Any such written determination shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.~~

² Individuals serving as a consultant as defined in FPPC Reg. 18700.3(a) or in a new position created since this Code was last approved that makes or participates in making decisions must file under the broadest disclosure set forth in this Code subject to the following limitation:

The General Manager may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

PART "B"

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of investments, business entities, sources of income, and real property economic interests that the designated employee position must disclose for each disclosure category for which he or she is assigned.³ "Investment" means financial interests in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in the jurisdiction of the District.

Category 1: All investment and business positions in business entities, and sources of income ~~from, including gifts, loans and travel payments,~~ that are located in, that do business in or own real property within the jurisdiction of the District. ~~business entities that do business or own real property within the jurisdiction of the District, plan to do business or own real property within the jurisdiction of the District in the next year, or who have done business or owned real property within the jurisdiction of the District within the past two (2) years.~~

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District, including any leasehold, beneficial or ownership interest or option to acquire property.

Category 3: All investment and business positions in business entities, and sources of income, ~~from, business entities including gifts, loans and travel payments,~~ that are engaged in land development construction or the acquisition or sale of real property within the jurisdiction of the District, ~~, plan to engage in such activities within the jurisdiction of the District within the next year, or have engaged in such activities within the jurisdiction of the District within the past two years.~~

~~Category 4: All investments and business positions in, and sources of income from, business entities that are banking, savings and loan, or other financial institutions.~~

Category 54: All investments and business positions in business entities, and sources of income, ~~from, business entities including gifts, loans and travel payments,~~ that provide services, ~~supplies products,~~ materials, machinery, vehicles or equipment of a type purchased or leased by the ~~District~~District.

Category 64: All investments and business positions in business entities, and sources of income, ~~from, business entities including gifts, loans and travel payments,~~ that provide services, ~~supplies products,~~ materials, machinery, vehicles or equipment of a

³ This Conflict of Interest Code does not require the reporting of gifts from outside this agency's jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position. (Reg. 18730.1)

type purchased or leased by the ~~Designated~~ designated ~~Employee's~~ position's department, unit or division.