

CHAPTER 5

CONFLICT OF INTEREST POLICY

CHAPTER HISTORY

References: Pursuant to and in accordance with California state regulations and Resolution No. 98-12-1 of the Board of Directors, as amended by Resolution No. 2000-11-2, Resolution No. 2002-10-1, Resolution No. 2004-12-6, Resolution No. 2006-12-1, Resolution No. 2008-12-4, Resolution No. 2010-12-3, Resolution No. 2012-11-3, and Resolution No. 2014-12-1.

The Rancho California Water District has adopted a Conflict of Interest Code (the "Code") pursuant to the requirements of the Political Reform Act of 1974, Government Code Section 81000 et seq. (the "Act"). The Code sets forth the required provisions for the disclosure of assets and income of designated employees, the disqualification of public officials and designated employees from acting where a conflict of interest exists, the list of designated employees subject to the disclosure provisions of the Code, and the list of disclosure categories specifying the types of assets and income required to be disclosed by each of the designated employees. The requirements of the Code are in addition to other state and local laws pertaining to conflicts of interest and have the force and effect of law. All officers and employees are directed to refer to the District's Code for these specific requirements.

The Code is held in the office of the District Secretary as the District's "Filing Officer/Official." The current Code of the Rancho California Water District is enclosed.

CONFLICT OF INTEREST CODE FOR THE
RANCHO CALIFORNIA WATER DISTRICT
(Amended December 11, 2014)

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code 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 Regulation 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Rancho California Water District (the "District")**.

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **District Secretary** as the District's Filing Officer. The **District Secretary** shall make and retain a copy 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 of the County of Riverside. The **District Secretary** shall retain the originals of the statements filed by all other officials and designated positions and make all statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008.)

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

RANCHO CALIFORNIA WATER DISTRICT

(Amended December 11, 2014)

PART "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18701(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)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments¹:

Members of the Board of Directors

General Manager

Chief Financial Officer/Treasurer

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 Manager	2, 4
Administrative Assistant, Senior-Engineering	2, 3, 5
Administrative Services Supervisor	4
AMR Systems Specialist	5
Assistant General Manager	1, 2
Associate Engineer	2, 3, 5
Budget Debt Administrator	1, 2
Chief Engineer	2, 3, 5
Conservation/Water Use Efficiency Analyst	2, 3, 5
Construction Contracts Manager	2, 3, 5
Construction Inspector Supervisor	5
Cross Connection Control Technician – II/Specialist	2, 3, 5
Customer Service Supervisor	5
Director of Operations & Maintenance	5
District Secretary	4
Electrical Services Supervisor	5
Engineering Manager - Design	2, 3, 5
Engineering Manager - Planning	2, 3, 5
Engineering Services Supervisor	5
ERP Business Analyst	5
Field Services Foreman – Fleet & Facilities	5

<u>DESIGNATED POSITIONS'</u> <u>TITLE OR FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Field Services Manager - Construction	5
Field Services Manager - Facilities	5
Finance Manager	1, 2
General Counsel	1, 2
GIS Coordinator	5
Human Resources Analyst	5
Human Resources Manager	5
Information Technology/Customer Service Manager	5
Mechanic, Senior	5
Operations Project Manager	1, 2
Principal Engineer	2, 3, 5
Public Information Officer	4
Purchasing Agent	4
Safety/Risk Officer	5
Utility Analyst	5
Wastewater Maintenance Supervisor	5
Wastewater System Supervisor	5
Water Operations Manager	5
Water Quality Supervisor	5
Water Reclamation Manager	5
Water Resources Planner	1, 2
Water System Supervisor	5

DESIGNATED POSITIONS'
TITLE OR FUNCTION

DISCLOSURE CATEGORIES
ASSIGNED

Consultant and New Positions²

²

Individuals serving as a consultant as defined in FPPC Reg 18701 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 to which he or she is assigned.³ Such economic interests are reportable if they are either located in or doing business in the jurisdiction, are planning to do business in the jurisdiction, or have done business during the previous two years in the jurisdiction of the District.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, 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.

Category 3: All investments 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)

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations)

§ 18730.1. Conflict of Interest Code: Reporting of Gifts.

Nothing contained in an agency's conflict of interest code shall be interpreted to require the reporting of gifts from outside the agency's jurisdiction if the purpose of disclosure of the source of the gift does not have some connection with or bearing upon the functions or duties of the position for which the reporting is required. Nothing in this language is intended to create an inference that all gifts within the jurisdiction are reportable.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 82028, 87100, 87103, 87207, 87300, 87302, 87309 and 89503, Government Code.

HISTORY

1. New section filed 10-3-2012; operative 11-2-2012. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2012, No. 40).