

**RESOLUTION No. 533
OF THE SUNNYSLOPE COUNTY WATER DISTRICT
AMENDING THE DISTRICT'S CONFLICT OF INTEREST CODE**

WHEREAS, the Board of Directors ("Board") of the Sunnyslope County Water District ("District") finds as follows:

- A. District's Authority. The Political Reform Act, at Government Code section 87306, requires a local government agency to amend its conflict of interest code as necessary when circumstances change.
- B. Current Conflict of Interest Code. By Resolution 96-4, District adopted the model conflict of interest code set forth at California Code of Regulations, Title 2 section 18730. The purpose of the code is to describe the rules and procedures by which some District employees must disclose their financial interests. Exhibit A to the code, amended by Resolution 470, sets forth the designated positions and disclosure categories specifying the financial interests those designated employees must disclose. The requirements of the code are in addition to other requirements of the Political Reform Act and to other state or local laws pertaining to conflicts of interest.
- C. Changes of Designated Personnel. The current Exhibit A includes District Engineer, District Counsel, Consultant, and Utility Foreman as designated positions. The current Exhibit A noted that in Section 3 of the code (at 2 Cal. Code Regs. §18730 (3)), the positions of Director and Manager do not need to be listed as designated positions in Exhibit A to the code because they are otherwise required to file Statements of Economic Interest, by the provisions of article 2 of chapter 7 of the Political Reform Act (Government Code sections 87200 et seq.). After further review, the District concludes that County Water Districts and Special Districts are not listed in Government Code section 87200 et seq., therefore, Board Director, General Manager, and Chief Financial Officer must be listed in the designated positions.

Since the last revision of the code, the District has renamed Exhibit A as Appendix A and added the positions of Board Director, General Manager, Finance & Human Resource Manager (Chief Financial Officer), and renamed the Utility Foreman position as Water/Wastewater Superintendent, which qualifies as a reportable position under the Political Reform Act. This change indicates the need for the amendment of Appendix A as required by Government Code section 87306.
- D. Changes in Disclosure Categories. The current disclosure categories set forth in Exhibit A to the Conflict of Interest Code should be amended to inform designated officials as to what information must be provided.

Since the last revision of the code, the District has adopted the model disclosure categories as shown in Appendix B.

NOW, THEREFORE, THE BOARD RESOLVES as follows:

1. District adopts the amended Appendix A and Appendix B to the Conflict of Interest Code that is attached and incorporated in this resolution as though fully set forth at this point.

The Board of Directors of the Sunnyslope County Water District adopted RESOLUTION No. 533 at a regular meeting of the Board held on August 13, 2014 by the following vote:

AYES: DIRECTORS: Clapham, Hill, Johnson, Meraz, and Villalon

NOES: DIRECTORS: None

ABSENT: DIRECTORS: None


SUNNYSLOPE COUNTY WATER DISTRICT



Daniel Villalon, President

(S E A L)

ATTEST:



Donald G. Ridenhour, Secretary

Appendix A

DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Categories</u>
1. Board Director	Category 1
2. General Manager	Category 1
3. Finance & Human Resource Manager (Chief Financial Officer)	Category 1
4. District Engineer	Category 1
5. District Counsel	Category 1
6. Consultant *	Category 1 *
7. Water/Wastewater Superintendent	Category 1

* Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the Code subject to the following limitation:

The General Manager may determine in writing that a particular Consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. That written determination shall include a description of the Consultant’s duties and, based upon that description, a statement of the extent of disclosure requirements. 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.

Appendix B

DISCLOSURE CATEGORIES

General Provisions Applicable to All Categories

When an individual who holds a designated position is required to disclose investments and sources of income, he or she shall disclose investments in business entities and sources of income which do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it owns real property within the jurisdiction.

When an individual who holds a designated position is required to disclose sources of income, he or she shall include gifts received from donors located inside as well as outside the jurisdiction.

When an individual who holds a designated position is required to disclose interests in real property, he or she shall disclose the type of real property described below if it is located within the jurisdiction, or not more than two miles outside the boundaries of the jurisdiction, or within two miles of any land owned or used by the District.

When an individual who holds a designated position is required to disclose business position, he or she shall disclose positions in business entities that do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years.

For purposes of this Conflict of Interest Code, the jurisdiction of the Sunnyslope County Water District is our customer service area, which for the water system covers an approximately 3.5 square mile area in the City of Hollister and surrounding areas, and which for the wastewater system covers a smaller area within the County consisting of Ridgemark Estates and the Oak Creek and Quail Hollow subdivisions.

Category 1

A designated position in this category must report all investments, business positions, interests in real property, and sources of income, including gifts, loans, and travel payments.