

RESOLUTION NO. 17-968

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE JOSHUA BASIN WATER DISTRICT
ADOPTING AN AMENDMENT TO THE DISTRICT'S
CONFLICT OF INTEREST CODE**

WHEREAS, the Political Reform Act ("Act"), Government Code Section 81000 et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes; and

WHEREAS, the Act requires that the state and local government agencies review their Conflict of Interest Code biannually in order to ensure that it remains in conformity with the Act and to update said code with respect to any organizational changes which have occurred in the agency since the adoption and last amendment of the Code; and

WHEREAS, the Fair Political Practices Commission ("FPPC") has adopted a regulation, 2 Cal. Code of Regs., Section 18730, which contains the terms of a standard Conflict of Interest Code, which can be incorporated by reference by state and local government agencies as the Conflict of Interest Code of such an agency, and which may be amended by the FPPC from time to time to conform with the amendments in the Act; and

WHEREAS, the Board of Directors has previously adopted said Standard Conflict of Interest Code; and

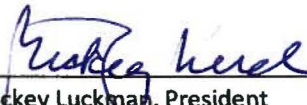
WHEREAS, the Board of Directors of the Joshua Basin Water District desires to amend the District's Conflict of Interest Code for the purpose of making it a more user-friendly document for filers and for the District's Filing Officer and to update and restate Appendix "A" thereto to reflect organizational changes of the District.

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the Joshua Basin Water District DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:


1. The Board of Directors hereby ratifies and confirms the District's adoption of the Standard Conflict of Interest Code and hereby adopts an amended Conflict of Interest Code and Appendix "A" thereto which sets forth designated positions and disclosure categories to the District's Conflict of Interest Code, all of which is set forth in Exhibit "A" to this Resolution.
2. The Secretary of the District is hereby authorized and directed to file with the Clerk of the Board of Supervisors a copy of this Amendment and such other information as may be required by the Board of Supervisors.
3. The Secretary of the District is hereby ordered and directed to file the Amended Conflict of Interest Code in the office of the District, and to retain and incorporate same in the District's "Administrative Code".

ADOPTED, SIGNED AND APPROVED THIS 18th day of January 2017.

Victoria Fuller Aye
Geary Hund Aye
Bob Johnson Aye
Mickey Luckman Aye
Rebecca Unger Aye


Mickey Luckman, President
Joshua Basin Water District and of the
Board of Directors thereof

ATTEST:


Curt Sauer, Secretary
Joshua Basin Water District and of the
Board of Directors thereof

ARTICLE 6
JOSHUA BASIN WATER DISTRICT
CONFLICT OF INTEREST CODE

Conflicts of interest exist when a person is in a position to receive personal benefit from actions or decisions made in his or her official capacity. The Political Reform Act prohibits a public official (including employees) from using his or her official position to influence a governmental decision in which he or she has a financial interest. Every state and local agency must adopt a conflict of interest code that identifies all officials and employees within the agency who make governmental decisions based on the positions they hold. The individuals in the designated positions must disclose their financial interests as specified in the agency's conflict of interest code. Each designated employee shall file his or her original Statement of Economic Interests, disclosing all reportable financial interests applicable to his or her position.

To help identify potential conflicts of interest, the law requires public officials and employees in designated positions in a conflict of interest code to report their financial interests on a form called Statement of Economic Interests (Form 700). The Conflict of Interest Code and the Form 700's are fundamental tools in ensuring that officials are acting in the public's best interest and not their own.

6.01 Statutory Provisions

The Political Reform Act (Government Code, Section 81000, et seq.) requires state and local government agencies, including the Joshua Basin Water District, to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations, Section 18730) which contains the terms of a standard conflict of interest code, which can be adopted by reference. After public notice and hearing, it 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 regulation, and the attached Appendix designating employees and establishing disclosure categories and the attached Consultant Appendix, shall constitute the Conflict of Interest Code of the Joshua Basin Water District.

6.02 Provisions of Conflict of Interest Code

6.02.01 Definitions

The definitions contained in the Political Reform act of 1974, Regulations of the Fair Political Practices Commission (2 Cal. Admin. Code Sections 18100 et seq.), and any amendments to the Act or regulations, are incorporated by reference into this Conflict of Interest Code. Of particular interest are the following definitions, which are included for ease.

§18704(a) "Making a Decision." A public official makes a governmental decision if the official authorizes or directs any action, votes, appoints a person, obligates or commits his or her agency to any course of action, or enters into any contractual agreement on behalf of his or her agency.

§18704(b) "Participating in a Decision." A public official participates in a governmental decision if the official provides information, an opinion, or a recommendation for the purpose of affecting the decision without significant intervening substantive review.

§18700(c)(1) "Public Official." Means every member, officer, employee, or consultant of a state or local government agency.

§18700(c)(2) "Member." Does not include an individual who performs duties as part of a committee, board, commission, group, or other body that does not have decision making authority (such as the Joshua Basin Water District Citizens Advisory Committee.)

6.02.02 Designated Employees

The persons holding positions listed in Appendix "A," attached hereto are designated public officials. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on their financial interests.

6.02.03 Disclosure Categories

This Code does not establish any disclosure obligation for those designated employees who are also specified in Government Code Section 87200 if they are designated in this Code in that same capacity or if the geographical jurisdiction of this District is the same or is wholly included within the jurisdiction in which those persons must report their financial interests pursuant to Article 2 of Chapter 7 of the Political Reform Act, Government Code Sections 87200 et seq.

Such persons are covered by this Code for disqualification purposes only. With respect to all other designated public officials, the disclosure categories set forth in Appendix A specify which kinds of financial interests are reportable. Such a designated public official shall disclose in his or her statement of economic interests those financial interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in Appendix A. It has been determined that the financial interest set forth in a designated public official's disclosure categories are the kinds of financial interests which he or she foreseeably can affect materially through the conduct of his or her office.

6.02.04 Statement of Economic Interest: Time of Filing

All designated public officials required to submit a statement of economic interest shall file such statements with the Secretary of the Board of Directors, who acts as the District's Filing Officer.

a) Initial Statements: All designated public officials employed by the District on the effective date of this Code, as originally adopted, promulgated and approved by the Board of Directors, shall file statements within thirty days after the effective date of this Code. Thereafter, each person already in a position when it is designated by an amendment to this Code shall file an initial statement within thirty days after the effective date of the amendment.

b) Assuming Office Statements. All persons assuming designated positions after the effective date of this Code shall file statements within thirty days after assuming the designated positions.

c) Annual Statements. All designated public officials shall file statements no later than April 1 of each year.

d) Leaving Office Statements. All persons who leave designated positions shall file statements within thirty days after leaving office.

6.02.05 Contents of and Period Covered by Statements of Economic Interests

a) Contents of Initial Statements. Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the Code.

b) Contents of Assuming Office Statements. Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office.

c) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an public official's first annual statement shall begin on the effective date of the Code or the date of assuming office, whichever is later.

d) Contents of Leaving Office Statements. Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing of the last statement filed and the date of leaving office.

6.02.06 Manner of Reporting

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the District, either on paper or electronically.

6.02.07 Retention of Statements of Economic Interests

Designated public officials shall file their statements of economic interests with the Secretary of the Board of Directors who will make the statements available for public inspection and reproduction upon request during regular business hours. (Government Code, Section 81008.) Upon receipt of the statement(s) of the designated public officials, the Secretary of the Board of Directors shall make and retain a copy and forward the original of the statement(s) to the Clerk of the Board of Supervisors, County of San Bernardino, who is the Filing Officer as required by state law.

6.02.08 Disqualification

No designated public official shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect distinguishable from its effect on the public generally, on:

a) Any business entity in which the designated public official has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

b) Any real property in which the designated public official has a direct or indirect interest worth two thousand dollars (\$2,000) or more;

c) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated public official within twelve months prior to the time when the decision is made.

d) Any business entity in which the designated public official is a director, officer, partner, trustee, employee, or holds any position of management; or

e) Any donor of or any intermediary or agent for a donor of, a gift or gifts aggregating four hundred seventy dollars (\$470) (gift limit effective 1/1/17 – 12/31/18) or more in value provided to, received by, or promised to the designated public official within 12 months prior to the time when the decision is made.

No designated public official shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated public official who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

6.02.09 Manner of disqualification

When a designated public official determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act must be accompanied by disclosure of the disqualifying interest. In the case of a designated public official who is a board member or commissioner, determination and disclosure shall be made at the meeting during which consideration of the decision takes place and shall be made part of the official record of the board or commission; in the case of a designated public official who is an employee and the head of a department, this determination and disclosure shall be made in writing to his or her appointing authority; and in the case of other designated employees, this determination and disclosure shall be made in writing to the designated employee's supervisor.

6.02.10 Assistance of the Commission and Counsel

Any designated public official who is unsure of his or her duties under this Code may request assistance from the Fair Political Practices Commission pursuant to Government Code Section 83114, or from the District's legal counsel, although nothing in this section requires the District's legal counsel to issue any formal or informal opinion.

6.02.11 Violations

This Code has the force and effect of law. Designated public officials violating any provision of this Code are subject to administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code Sections 81000-91014.

The filing officer who retains originally-signed or electronically filed statements of economic interests may impose on an individual a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties may be reduced or waived under certain circumstances.

Persons who fail to timely file their Form 700 may be referred to the FPPC's Enforcement Division (and, in some cases, to the Attorney General or district attorney) for investigation and possible prosecution. In addition to the late filing penalties, a fine of up to \$5,000 per violation may be imposed.

APPENDIX A, Page 1
DESIGNATED POSITIONS

87200 FILERS

Public Officials who manage public investments as defined by 2 Cal. Code of Regs. §18701(b), are NOT subject to the District's Conflict of Interest Code, but must file disclosure statements under Government Code Section 87200 et seq., and are subject to full disclosure, Category 1. These positions are listed here for informational purposes only.

- Board of Directors
- General Manager
- Assistant General Manager/Controller

CODE FILERS

Public Officials filling designated positions below must file disclosure statements pursuant to the following disclosure categories.

DESIGNATED POSITIONS

DISCLOSURE CATEGORY

ADMINISTRATION

Executive Assistant

3

ENGINEERING

GIS Coordinator

3

FINANCE

Accountant

3

HUMAN RESOURCES

HR/Contract Administrator

3

OPERATIONS

Director of Water Resources & Operations

3

Distribution Supervisor

3

Production Supervisor

3

NEW POSITIONS

1

Individuals serving 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.

CONSULTANTS

SEE APPENDIX B

APPENDIX A, Page 2
DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic investments that the designated position must disclose for each disclosure category to which he or she is assigned.

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	Description
1	<p><u>FULL DISCLOSURE:</u> What to report? All investments and business positions in business entities, sources of income, including gifts, loans and travel payments, and interest in real property located in the District.</p>
2	<p><u>ALL INCOME, EXCLUDING INTERESTS IN REAL PROPERTY</u> What to report? All investments and business positions in business entities, and sources of income including gifts, loans and travel payments.</p>
3	<p><u>DISTRICT/DEPARTMENT-RELATED INCOME</u> What to report? All investments and business position in business entities and sources of income, including gifts, loans and travel payments if the source is a type which provides, manufactures, or supplies goods, materials, equipment, machinery or services, including training or consulting services, of the type utilized by or subject to the review or approval of the District or the department in which that person is employed.</p>
4	<p><u>DISTRICT/DEPARTMENT-RELATED INCOME, REAL PROPERTY</u> What to report? All investments and business positions in business entities and sources of income including gifts, loans and travel payments, and all interest in real property, if the source is of a type which provides, manufactures, or supplies goods, materials, equipment, machinery or services, including training or consulting services, of the type utilized by or subject to the review or approval of the District or the department in which that person is employed.</p>

APPENDIX B
CONSULTANT'S APPENDIX

Only consultants who make a governmental decision or act in a staff capacity as defined in 2 Cal Code Regs. Section 18701, shall be subject to economic disclosure requirements.

Consultants who make governmental decisions shall disclose pursuant to the broadest disclosure category in the Code subject to the following limitation:

The District 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 the section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement to 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.

Designated Consultants

Disclosure Categories

<p>Consultants who make (not just recommend) governmental decisions, such as whether to approve a rate, rule or regulation, whether to issue, deny, suspend or revoke any permit, license, application, certificate or similar authorization, adopt or grant District approval to a plan, design, report, study, or adopt or grant District approval of policies, standards, or guidelines for the District.</p>	<p style="text-align: center;">1</p>
<p>Consultants who act in a staff capacity with the District, and in that capacity perform the same or substantially all the same duties for the District that would otherwise be performed by an individual holding a designated position in the District's Conflict of interest Code.</p>	<p>Disclosure required at the same level as the comparable designated position identified elsewhere in this Code.</p>

Category 1

Designated consultants assigned to this category shall disclose:

- a) All business entities or non-profit corporations in which they are a director, officer, partner, trustee, employee or hold a position of management; interests in real property, investments; and income, including gifts, loans and travel payments.
- b) When the consultant is a corporation or partnership, only individuals from the firm that participate in District decisions or act in a staff capacity must file disclosure statements.