

HEBER PUBLIC UTILITY DISTRICT

REPORT TO BOARD OF DIRECTORS

MEETING DATE: September 15, 2022

FROM: Laura Fischer, General Manager

SUBJECT: Adopt Resolution 2022-11 Amend the Policy Manual to Include the Revised Conflict of Interest Code

ISSUE: Shall the Board Adopt Resolution 2022-11 amending the HPUD Policy Manual to include the revised Conflict of Interest Code

GENERAL MANAGER'S RECOMMENDATION:

Adopt Resolution 2022-11 to Amend the Policy Manual to Include the Revised Conflict of Interest code.

FISCAL IMPACT:

None.

DISCUSSION:

As per the Political Reform Act of 1974 and the California Code of Regulations Section 18730, public agencies such as HPUD should update their Conflict of Interest Code when there is a new hire in a position that requires to file a Form 700, a Statement of Economic Interests. In this case, since the hiring of our new Office Manager, it is important to amend the Policy Manual to include the Office Manager position.

CONCLUSION:

It is in the best interest of the Heber Public Utility District BOD to adopt Resolution 2022-11 to amend the Policy Manual to include the Revised Conflict of Interest Code.

Respectfully Submitted,

Laura Fischer, General Manager

Attachment: Resolution 2022-11, to Amend the Policy Manual to Include the Revised Conflict of Interest Code

RESOLUTION NO. 2022-11

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HEBER PUBLIC UTILITY DISTRICT TO AMEND THE POLICY MANUAL TO INCLUDE THE REVISED CONFLICT OF INTEREST CODE

WHEREAS, the Political Reform Act of 1974 (“Act”). Government Code Sections 8100 et seq. Enacted as part of Proposition 9, requires every local agency to adopt and promulgate a conflict of interest code applicable to employees or consultants holding designated positions and public officials within the jurisdiction of the local agency; and

WHEREAS, the Fair Political Practices Commission (“FPPC”) enacted 2 Cal. Code of Regs. Section 18730 which contains the terms of a standard model conflict of interest code, which could be adopted by local agencies covering such matters as the manner of reporting financial interests, the procedures to be utilized in filing conflict of interest statements, the contents of such statements, the time within which such statements must be filed, etc.; and which may be amended by the FPPC after public notice and hearings to conform to amendments to the Act; and

WHEREAS, Attachment A of Resolution 2022-11 listed the designated employees subject to the model conflict of interest code (listed as “designated flyers”); and

WHEREAS, state law as specified in the Act required the Board of Directors; as the District’s code-reviewing body to direct the review of its Conflict of Interest Code; and

WHEREAS, the Act additionally requires the submission of a revised conflict of interest code for approval by the code-reviewing body or the notification of said body that no changes are necessary pursuant to Government code Section 87306.5; and

WHEREAS, the Conflict of Interest Code requires revision to reflect changed in designated positions and the financial interests required to be reported; and

WHEREAS, this review has been completed and the Board has determined that such changed are necessary due to changed in the organization and to comply with state law and the Attachments A and B, attached herein, accurately sets forth the designated positions; and their respective categories of financial interests which should be made reportable; and

WHEREAS, the Conflict of Interest Code includes filing requirements for related agency positions; and

WHEREAS, the Heber Public Utility District conflict of Interest Code, incorporated herein, requires revisions so that it accurately sets forth the designated positions and categories of financial interests which should be made reportable.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Heber Public Utility District as follows,

SECTION 1. Incorporation of Recitals. All Recitals above are true and correct and are incorporated herein.

SECTION 2. Adoption of Modified Conflict of Interest Code. The terms of 2 Cal. Adm. Code Section 18730 and any amendments to it duly adopted by the FPPC are hereby incorporated by reference and included as part of the Conflict of Interest Code of the Heber Public Utility District.

SECTION 3. Statement of Economic Interest Code. Persons holding designated positions and persons required to do so by statute shall file Statements of Economic Interests with

the Heber Public Utility District on FPPC forms, in conformance with the individual disclosure categories and State guidelines, when requested by the Clerk of the Board. Persons holding designated positions and persons required by statute to file statements of economic interests shall also report interests for any other related agency positions.

SECTION 4. Form 700 Requirement. In accordance with FPPC Regulation 18734, any individual hired for a position not yet covered under this Conflict of Interest Code must file a Form 700 if the individual serves in a positions that makes or participated in making governmental decisions. Individuals in this category must file under the broadest disclosure category until the code is amended to include the new position unless Heber Public Utility District provides, in writing, a limited disclosure requirement.

SECTION 5. Late Filings and Failure to File Statements. Any violation of any provisions of this Code is subject to the administrative, criminal, and civil sanctions provided in the Act, Government Code Sections 810000 et seq.

SECTION 6. Employees and Officials that Must Disclose Financial Interests. The District Conflict of Interest Code hereby includes Attachment A, which reflects changes in District organization and in the job titles of District management staff and reflects the inclusion of staff positions with decision making authority as authorized by the Heber Public Utility District Policy Manual and in compliance with Title 2, Section 18701 of the California Code of Regulations. Designated Employees and Public Officials shall disclose financial interests as set forth in Appendix B.

SECTION 7. Adoption of Disclosure Categories. The District Conflict of Interest Code hereby includes Policy Number 1020 to achieve consistency with State Law and reflect the required disclosure categories of this Conflict of Interest Code.

PASSED AND ADOPTED by the Board of Directors of HEBER PUBLIC UTILITY DISTRICT, this 15th day of September, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Kaine Garcia, Board President

ATTEST:

Moises Cardenas, Clerk of the Board

APPROVE AS TO FORM:

Steven M. Walker, General Counsel

STATE OF CALIFORNIA)
COUNTY OF IMPERIAL)
HEBER PUBLIC UTILITY)
DISTRICT)

I, Moises Cardenas, Clerk of the Board of the Heber Public Utility District, County of Imperial, State of California, DO HEREBY CERTIFY that the foregoing resolution was dully passed, approved and adopted by the Board of Directors of the Heber Public Utility District at its regularly scheduled meeting held on the 15th day of September 2022.

By _____
Moises Cardenas, Clerk of the Board

**HEBER PUBLIC UTILITY DISTRICT
POLICY MANUAL
EXHIBIT "A"**

POLICY TITLE: CONFLICT OF INTEREST CODE. Modified
September 15, 2022 via Resolution 2022-11
POLICY NUMBER: 1020

The Political Reform Act (Government Code §§ 81000, et seq., hereinafter referred to as the Act) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission ("FPPC") has adopted a regulation (2 California Code of Regulations § 18730) which 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 hearings it may be amended by the FPPC to conform to amendments in the Act. Therefore, the terms of § 18730 and any amendments to it adopted by the FPPC are hereby incorporated by reference. This regulation and the text here designating officials and employees and establishing disclosure categories shall constitute the conflict of interest code of the Heber Public Utility District ("District").

The full text of Section 18730, together with any amendment thereto, may be found at:
<http://www.fppc.ca.gov/legal/regs/current/18730.pdf>.

Designated positions shall file statements of economic interests with the District. Upon receipt of the statements, the District shall make and retain a copy and forward the original of this statement to the Imperial County Clerk of the Board of Supervisors. Statements of Economic Interests are public records available for public inspection.

DESIGNATED POSITIONS: The designated positions listed below are required to file Form 700 Statements of Economic Interests disclosing certain personal financial interests. These positions are required to file the applicable individual schedules to report investments, business positions, sources of income and interests in real property located in the District's jurisdiction. The applicable schedules to be filed for each position are based on the disclosure category assigned to the designated position.

Designated Positions	Disclosure Category
Board Member	1
General Manager	1
Finance Manager and Office Manager	1
Consultant	2

DISCLOSURE CATEGORIES:

Disclosure Category 1: Persons in this category shall disclose:

- A. Interests in real property located entirely or partly within District boundaries, or within two miles of District boundaries, or of any landed owned or used by the District.
- B. Investments or business positions in or income (including gifts, loans and travel payments) from sources that provide, plan to provide, or have provided in the last two years facilities, goods, software, hardware, or services, including consulting services, to the District, or are engaged in the acquisition of real property within the District.

Disclosure Category 2: Persons in this category shall disclose:

- A. Consultants shall disclose pursuant to the broadest disclosure category in the conflict of interest code subject to the following limitation: the District may determine in writing that a particular consultant is hired to perform a range of duties that is limited in scope and, thus, is not required to comply with the full disclosure requirements described above, but instead must comply with more tailored disclosure requirements specific to that consultant. Such a determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of the disclosure requirements.