

Owens Valley Groundwater Authority Memorandum

DATE: May 10, 2018

TO: Owens Valley Groundwater Authority Board of Directors

FROM: Inyo County Counsel

SUBJECT: Process for Adoption of Conflict of Interest Code.

One of the first orders of business for any new public entity is the adoption of an initial Conflict of Interest Code which requires the filing of Form 700's by those employees and consultants that advise the Board on the use of an agency's funds. Board members are not covered by the Code because they are statutorily required to file form 700's.

The process for adopting the accompanying Conflict of Interest Code (Code) is briefly set forth as follows:

- 1) The Board reviews the accompanying Notice of Intent and Code, including the attached Appendixes A & B and the Organizational chart. If acceptable, the Board should determine a 45-day comment period during which time the required Notice period shall take place and at the end of which the Board can formally adopt the Code. The earliest possible date for the conclusion of the comment period is June 25, 2018.
 - 2) After setting the date, the Board should adopt the accompanying resolution titled "RESOLUTION ANNOUNCING THE INTENT TO ADOPT AN INITIAL CONFLICT OF INTEREST CODE AND ESTABLISHING A COMMENT PERIOD" by recorded vote.
 - 3) The Authority will send the appropriate notice to the FPPC and allow the 45- day notice period to pass.
 - 4) At the conclusion of the 45-day notice period, the Board President shall then review and sign the accompanying Declaration and the Board shall formally adopt the Code by a recorded vote resolution.
 - 5) Upon completion of the above steps, the Code is deemed to have been adopted by the Authority. However, the Code must still be formally reviewed and adopted by the Authority's Code Reviewing Body, in this instance, the FPPC, before it shall be deemed effective.
-

- 6) Copies of the Notice of Intent and Code, including the Appendixes A & B, and the Organizational Chart will be sent to the FPPC for review.
- 7) The FPPC will review the Code and within 90 days of receipt and do one of the following:
 - a. Approve the Code as submitted;
 - b. Revise the Code and approve as revised;
 - c. Return the Code to the Authority for revision and resubmission within 60 days.
- 8) Once approved by the FPPC, the Authority's Code shall be promulgated by the Authority and designated filers under the Code will be required to file 700 forms within 30 days.

**OWENS VALLEY GROUNDWATER AUTHORITY
NOTICE OF INTENTION TO ADOPT AN INITIAL
CONFLICT-OF-INTEREST CODE**

NOTICE IS HEREBY GIVEN that the OWENS VALLEY GROUNDWATER AUTHORITY intends to adopt an initial Conflict-Of-Interest Code pursuant to Government Code Section 87300 et seq. Pursuant to Government Code Section 87302, the Code will designate employees and consultants who must disclose certain investments, income, interests in real property and business positions, and who must disqualify themselves from making or participating in the making of governmental decisions affecting those interests.

A written comment period of more than 45 days has been established commencing on May 11, 2018 and terminating on June 25, 2018. Any interested person may present written comments concerning the proposed code no later than June 25, 2018 to the Owens Valley Groundwater Authority, in care of Dr. Bob Harrington, Water Director, County of Inyo, 135 S. Jackson St. (POB 337) Independence, California 93526. No public hearing on this matter will be held unless an interested person or his or her representative requests one no later than 15 days prior to the close of the written comment period.

The Owens Valley Groundwater Authority does not have any staff at this time and therefore the Authority has not prepared a written explanation of the reasons for the designations and the disclosure responsibilities. To the extent there are future changes, the Authority will amend the code as and when needed.

Copies of the proposed code and all of the information upon which it is based may be obtained from the Owens Valley Groundwater Authority, attention Laura Piper, 135 S. Jackson St. (POB 337) Independence, California 93526. Any inquiries concerning the proposed code should be also be directed in person to Dr. Harrington at the above referenced address or at (760) 878-0001.

**DECLARATION OF BOARD CHAIR FOR THE
OWENS VALLEY GROUNDWATER AUTHORITY**

The proposed initial Conflict-of-Interest Code specifically includes each of the positions within the Owens Valley Groundwater Authority that involve the making or participation in the making of decisions that may foreseeably have a material financial effect on an economic interest. Positions that do not make or participate in decisions are not included.

The disclosure categories are written to address the Authority's current programs and require disclosure of only foreseeable interests that may create a conflict of interest.

The Authority satisfied all of the requirements of Title 2, Division 6 of the California Code of Regulations section 18750 preliminary to approval of the proposed code, including providing a comment period for both employees and the public.

This is the Authority's initial code and future amendments will be made as needed.

Date

Chair

RESOLUTION NO.

**RESOLUTION OF THE BOARD OF DIRECTORS
OWENS VALLEY GROUNDWATER AUTHORITY ANNOUNCING THE
INTENT TO ADOPT AN INITIAL CONFLICT OF INTEREST CODE AND
ESTABLISHING A COMMENT PERIOD THEREFOR**

WHEREAS, in accordance with state law, the Board of Directors determined that an initial Conflict of Interest Code should be adopted at this time; and

WHEREAS, in accordance with state law the Authority prepared the attached Conflict of Interest Code and Notice of Intent; and

WHEREAS, state law requires the Authority to provide a 45-day comment period before adopting said Code;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Owens Valley Groundwater Authority that the Conflict of Interest Code attached hereto as an exhibit and incorporated herein by this reference is hereby preliminarily adopted.

BE IT FURTHER RESOLVED, that the mandatory 45-day comment period begins on May 11, 2018, and ends June 25, 2018.

PASSED AND ADOPTED this 10th day of May, 2018 by the following vote:

AYES :
NOES :
ABSTAIN :
ABSENT :

ATTEST: _____
Secretary

Chair

**CONFLICT OF INTEREST CODE
OF THE OWENS VALLEY GROUNDWATER AUTHORITY**

SECTION 1: Conflict of Interest Code - Adopted.

The Political Reform Act, Government Code Sections 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 of Reg. Section 18730, which contains the terms of a standard Conflict of Interest Code. It can be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearings to conform to amendments in the Political Reform Act. Therefore, the terms of 2 Cal. Code of Regs., Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached Appendix A in which officials and employees are designated and Appendix B in which disclosure categories are set forth, constitute the Conflict of Interest Code of the Owens Valley Groundwater Authority, which is considered the "agency" within the purview of this Code.

SECTION 2: Statements of Economic Interest; Filing Officer.

Designated employees shall file Statements of Economic Interests with the Inyo County Clerk-Recorder, who shall be and perform the duties of Filing Officer for the Owens Valley Groundwater Authority.

APPENDIX "A"

LIST OF DESIGNATED EMPLOYEES

<u>JOB TITLE</u>	<u>DISCLOSURE CATEGORY</u>
Executive Manager	1
Legal Counsel*	1
Staff Advisors**	1
Consultants***	1

* Legal Counsel means the Inyo County Counsel and/or such other legal counsel as the Authority may choose to utilize.

** "Staff Advisor" means any employee of Inyo County or other governmental agency, who acts as staff to the Authority and who makes or participates in the making of Authority decisions.

*** "Consultant" means any individual or entity meeting the definition of consultant promulgated in regulations of the Fair Political Practices Commission. The Authority's Executive Manager may determine in writing that a particular consultant, although a "designated employee," 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 Appendix. 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. The Executive 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.

NOTE: Members of the Authority's Board of Directors, including Alternate Directors, are not designated within this Code because individuals occupying such positions must file disclosure statements pursuant to Government Code Section 87200.

APPENDIX "B"

LIST OF DISCLOSURE CATEGORIES

Disclosure category

- 1 Full Disclosure: Designated employees in this category are treated as mandated/statutory filers and thus must report all reportable interests in real property within the Authority's jurisdiction, as well as reportable investments, business positions and sources of income, including gifts, loans and travel payments.
- 2 Full Disclosure Excluding Real Property Interests: Designated employees in this category must report all reportable investments, business positions and sources of income, including gifts, loans and travel payments.
- 3 Interests in Real Property: Designated employees in this category must report all reportable interests in real property within the Authority's jurisdiction.
- 4 General Contracting For Entire Authority: Designated employees in this category must report all reportable investments, business positions and income, including gifts, loans and travel payments, from sources that provide leased facilities, goods, equipment, vehicles, machinery or services, including training or consulting fees, of the type utilized by the Authority.

