

RESOLUTION NO. 19-1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS OLIVOS  
COMMUNITY SERVICES DISTRICT ADOPTING A CONFLICTS OF  
INTEREST POLICY

**WHEREAS**, the Political Reform Act (Government Code section 81000 et seq.) requires state and local government agencies, including special districts, to adopt and promulgate conflict of interest policies or codes;

**WHEREAS**, the Fair Political Practices Commission had adopted Code of Regulations section 18730, which contains the terms of a standard conflict of interest code as required by state law; and

**WHEREAS**, the Board of Directors seeks to provide transparency to the public and to comply with state law regarding conflicts of interest by considering for adoption Policy 2.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LOS OLIVOS  
COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE:**

1. **Recitals.** The above recitals are true and correct and incorporated herein by reference.
2. **Code of Regulations Section 18730 Incorporated.** Code of Regulations section 18730, together with any amendments hereinafter adopted by the Fair Political Practices Commission, is hereby incorporated by reference.
3. **Conflicts of Interest Policy.** The Board hereby approves and adopts Policy 2 as its Conflict of Interest Policy, in satisfaction of state law.
4. **Effective Date.** The provisions of this Resolution shall take effect immediately upon adoption.

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the Board of Directors of the Los Olivos Community Services District at a regularly scheduled meeting held on the 12<sup>th</sup> day of February 2019, by the following vote:

AYES: Directors Tayram, Palmer, Kennedy, O'Neill

NOES: Ø

ABSENT: Director Arme

ABSTAIN: Ø

ATTEST:

  
JULIE KENNEDY, Board Secretary

**LOS OLIVOS COMMUNITY SERVICES  
DISTRICT**

By:   
TOM FAYRAM, Board President

APPROVED AS TO FORM:

By:   
G. ROSS TRINDLE, III, District Counsel

I, JULIE KENNEDY, Board Secretary of the Los Olivos Community Services, Santa Barbara County, California, DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution passed and adopted by the Board of Directors of the Los Olivos Community Services District on the date and by the vote indicated herein.

# LOS OLIVOS COMMUNITY SERVICES DISTRICT

## POLICY 2

### *Conflict of Interest Policy*

**PURPOSE:** The Political Reform Act (California Government Code §81000 et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission (FPPC) has adopted California Code of Regulations §18730, which contains the terms of a standard conflict of interest code. Section 18730, together with any amendments hereinafter adopted by the FPPC, is hereby incorporated by reference.

**STATEMENTS OF ECONOMIC INTEREST:** District Directors and designated employees, contractors, and officers shall file statements of economic interest with the Los Olivos Community Services District using the forms provided by the FPPC in accordance with the regulations referred to herein. Designated employees, contractors, and officers are those who make or participate in the making of decisions which may foreseeably have a material effect on economic interests. Upon receipt of the statements filed by persons holding designated positions as defined hereinafter, the Secretary, acting as the Filing Official, shall forward a copy of each such statement to the Santa Barbara Clerk-Recorder, who shall be designated as the Filing Officer.

**DESIGNATED POSITIONS:** Persons occupying the following designated positions must file Statements of Economic Interests on forms provided by the FPPC for the specified disclosure categories listed after the position name, and make those disclosures consistent with California Code of Regulations §18730 et seq.:

Directors (Categories 1, 2, 3, 4, 5)

General Manager (Categories 1, 2, 3, 4, 5)

Each of the above positions must file a Statement of Economic Interests for each of the Categories of Disclosure set forth hereinafter. The Board may require different levels of disclosure for consultants and other persons employed by the District.

**CATEGORIES OF DISCLOSURE:** For listing the categories of disclosure, the following terms shall have the meanings set forth herein:

“Business entity” means a commercial, for-profit entity.

“Business position” means a position with a business entity. The threshold for reporting is an interest with fair market value of \$2,000 or more or such different amount as the FPPC regulations shall specify.

“Business income” means income from a business entity in excess of \$500 annually other than income which is exempt from being reported pursuant to FPPC regulations.

Each of the above persons must file a Statement of Economic Interests for each of the categories of disclosure that the position has been designated to disclose. Categories of disclosure are listed hereinafter:

**Category 1:** Interests in real property that are located within the boundaries of the District including any leasehold, beneficial or ownership interest or option to acquire such interest in real property.

**Category 2:** Business positions or investments in or income from persons or business entities engaged in appraisal, acquisition or disposal of real property within the boundaries of the District.

**Category 3:** Business positions or investments in business entities and income from any sources, if the business entities or sources of income provide services, supplies, materials, machinery or equipment to or for the use of the District.

**Category 4:** Business positions or investments in business entities and income from any sources, if the business entities or sources of income are subject to the regulation or supervision of the District, including but not limited to, the issuance or granting of franchises or permits or land use control or regulation.

**Category 5:** Business positions or investments in business entities and income from any sources, if:

- a. The Business entities or sources of income have filed a claim or have a claim pending against the District.
- b. The designated employee's duties involve the handling or processing of such a claim.

**ADDITIONAL POSITIONS:** Additional positions may be designated by the Board of Directors by amending this policy when it has been determined that persons in these additional positions make or participate in the making of decisions which may foreseeably have a material effect on economic interests. The Board of Directors shall determine the required disclosure categories at the time of designation.

**CONFLICTS OF INTEREST; GOVERNMENTAL DECISIONS:** No Director or person holding a designated position shall make, participate in making, or in any way use or attempt to use their official position to influence a governmental decision in which they know or have reason to know they have a disqualifying conflict of interest. A public official has a conflict of interest if the decision will have a reasonably foreseeable material financial effect on one or more of their economic interests unless the public official can establish either 1) that the effect is indistinguishable from the effect on the public generally, or 2) a public official's participation is legally required.

**DETERMINATION OF CONFLICT OF INTEREST; GOVERNMENTAL DECISIONS:**

For this Policy, a determination of whether a conflict of interest exists shall be made through an analysis of the facts and circumstances in accordance with the provisions of California Code of Regulations §18700-18709, together with any amendments hereinafter adopted.

**CONFLICTS OF INTEREST; CONTRACTS:** District directors, officers, and employees shall comply with the California Government Code §1090 et seq.

**EMPLOYEES AND CONSULTANTS:** No employee or consultant of the District shall make, participate in making, or in any way use or attempt to use their official position to influence a governmental decision in which they know or have reason to know that they have a disqualifying conflict of interest.