



Meeting: **Joint Reservoir Committee & Authority Board    September 16, 2022**  
**Agenda Item 2.2**

Subject: **Revised Conflict of Interest Code**

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**Requested Action:**

Consider approval of the Sites Project Authority amended Conflict of Interest Code (COI) and to direct Authority staff and consultants to take such actions as are necessary and appropriate to process and finalize the code.

**Detailed Description/Background:**

The Sites Project Authority has initiated a proposed update to its COI Code (Code) to reflect recent changes in the organization's management structure and the addition of new positions that are proposed to be "Designated Positions" under the COI.

The amended Code makes minor technical edits including renaming the positions of General Manager to Executive Director and Local Coordination Manager to External Affairs Manager as well as changing the title of "Legal Counsel" to General Counsel and "Bond Counsel" to Bond & Disclosure Counsel.

In addition, the amended Code would add five additional "Designated Positions" that will be required to submit Statements of Financial Interests (Form 700). These include the Engineering & Construction Manager, CEQA Permitting Counsel, Water Right Counsel, Real Estate Counsel, and Agency Agreements Counsel.

With approval of the draft of the Code, Authority staff will distribute a Notice of Intent and the proposed amended Code via email on September 16<sup>th</sup> to all Authority Board members and alternates as well as Reservoir Committee participants and alternates, and others holding Designated Positions.

The Authority will establish a comment period commencing on September 16, 2022, and closing on November 1, 2022 to solicit feedback from effected parties regarding the proposed amended Code.

At the closing of the comment period, Authority staff will address any comments received from the members, participants or holders of designated positions. Once completed, Sites General Counsel will submit the approved draft of the amended Code to the California Fair Political Practices Commission for review and final approval.

At the September 16<sup>th</sup> Joint Authority Board/Reservoir Committee Meeting, General Counsel Alan Doud will provide the members with a briefing on potential areas of Government Code Section 1090 potential conflicts that all members should keep in mind as they evaluate potential conflict situations. There will be an opportunity for specific questions or Legal Counsel is available to address any questions outside of the meeting.

**Prior Action:**

October 2020: Authority Board approved a Revised Conflict of Interest Code per FPPC requirements and received legal counsel advice related to evaluating potential conflict areas for members.

**Fiscal Impact/Funding Source:**

None.

**Staff Contact:**

Kevin Spesert

**Attachments:**

Attachment A: Authority Board Conflict of Interest Resolution

Attachment B: Draft of Amended Conflict of Interest Code



**BEFORE THE BOARD OF DIRECTORS OF THE  
SITES PROJECT AUTHORITY**

Resolution No. 2022-01

IN THE MATTER OF:

**RESOLUTION APPROVING DRAFT OF SITES PROJECT AUTHORITY'S AMENDED CONFLICT  
OF INTEREST CODE**

**WHEREAS**, this Board has reviewed its Conflict of Interest Code and determined that the Code is in need of amendment; and

**WHEREAS**, the Authority has prepared an amended Conflict of Interest Code, a clean and a redline version of which are attached hereto as Exhibit "A" and incorporated herein.

**NOW THEREFORE BE IT RESOLVED**, by the Board of Directors of the Sites Project Authority as follows:

1. The Board has reviewed the draft of the amended Conflict of Interest Code, and approves of the same.
2. Authority staff and consultants are directed to take such actions as are necessary and appropriate to process the amended Conflict of Interest Code, including, without limitation, to transmit to those affected by the amended Conflict of Interest Code a notice of the Authority's intent to amend the Code, and to submit the attached draft of the amended Code to the California Fair Political Practices Commission for review.

**ALL THE FOREGOING**, being on motion of \_\_\_\_\_, seconded by \_\_\_\_\_, was hereby authorized by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

**I HEREBY CERTIFY** that the foregoing is a true copy of the resolution of the Board of Directors of the SITE PROJECT AUTHORITY as duly passed and adopted by said Board of Directors at a meeting held this 16<sup>th</sup> day of September, 2022.

**WITNESS** my hand of said Board of Directors this 16<sup>th</sup> day of September 2022.

\_\_\_\_\_,  
Logan Dennis, Sites Project Authority Secretary

**ATTESTED**

\_\_\_\_\_,  
Sandra Yarbrough, Sites Project Authority Board Clerk

**CONFLICT OF INTEREST CODE FOR  
THE SITES PROJECT AUTHORITY**

The Political Reform Act (Government Code Section 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 Regs. Sec. 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 hearing the standard code 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 positions and establishing disclosure categories shall constitute the conflict of interest code for the **Sites Project Authority (Authority)**.

Individuals holding designated positions with the **Authority** must file their statements of economic interests electronically with the **Fair Political Practices Commission**. All statements must be made available for public inspection and reproduction under Government Code Section 81008.

**Conflict of Interest Code for  
the Sites Project Authority  
Appendix A – Designated Positions**

<b><u>Designated Position</u></b>	<b><u>Disclosure Category</u></b>
Members of the Board of Directors	**
Alternate Members of the Board of Directors	**
Executive Director	1
General Counsel	1
Real Estate Counsel	1
CEQA Permitting Counsel	1
Water Rights Counsel	1
Agency Agreements Counsel	1
Bond & Disclosure Counsel	1
Environmental Planning Manager	1
External Affairs Manager	1
Program Operations Manager	2
Engineering and Construction Manager	1
Reservoir Committee Members and Alternates	1
Consultants/New Positions	*

\*Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitations:

The Executive Director may determine in writing that a particular consultant/new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Director'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 (Gov. Code Section 81008).

**Conflict of Interest Code for the  
Sites Project Authority  
Appendix A - Designated Positions**

**\*\*PUBLIC OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

The following positions are *not* covered by the conflict of interest code because they must file statements under Section 87200 and therefore are listed for informational purposes only:

Members of the Board of Directors and their Alternates

An individual holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or for written advice regarding their filing obligation if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Section 87200.

**Conflict of Interest Code for the  
Sites Project Authority  
Appendix B - Disclosure Categories**

**Category 1:** Designated positions in this category shall disclose all investments, all business positions in business entities, all sources of income including receipt of gifts, loans, and travel payments, and all interests in real property.

**Category 2:** Designated positions in this category shall disclose investments, business positions in business entities, and income including receipt of gifts, loans, and travel payments, from sources engaged in providing services, supplies, materials, machinery, or equipment of the type utilized by the agency including but not limited to accounting, auditing, engineering and environmental consulting.



**CONFLICT OF INTEREST CODE FOR  
THE SITES ~~JOINT-POWERS~~PROJECT AUTHORITY**

The Political Reform Act (Government Code Section 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 Regs. Sec. 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 hearing the standard code 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 positions and establishing disclosure categories shall constitute the conflict of interest code for the **Sites ~~Joint-Powers~~Project Authority (Authority).**

Individuals holding designated positions with the **Authority** must file their statements of economic interests electronically with the **Fair Political Practices Commission**. All statements must be made available for public inspection and reproduction under Government Code Section 81008.

**Conflict of Interest Code for  
the Sites ~~Joint Powers~~Project Authority  
Appendix A – Designated Positions**

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<u>Members of the Board of Directors</u>	<u>**</u>
<u>Alternate Members of the Board of Directors</u>	<u>**</u>
<u>Executive Director</u> <del>General Manager</del>	1
<del>Legal</del> <u>General</u> Counsel	1
<u>Real Estate Counsel</u>	<u>1</u>
<u>CEQA Permitting Counsel</u>	<u>1</u>
<u>Water Rights Counsel</u>	<u>1</u>
<u>Agency Agreements Counsel</u>	<u>1</u>
Bond <u>&amp; Disclosure</u> Counsel	1
Environmental Planning Manager	<u>1</u> <del>2</del>
<del>Local Coordination</del> <u>External Affairs</u> Manager	1
Program Operations Manager	2
<u>Engineering and Construction Manager</u>	<u>1</u>
Reservoir Committee Members and Alternates	1
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\*Consultants/New Positions shall be included in the list of designated positions and shall disclose pursuant to the broadest disclosure category in the code, subject to the following limitations:

The Executive Director ~~General Manager~~ may determine in writing that a particular consultant/new position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's or new position's duties and, based upon that description, a statement of the extent of disclosure requirements. The ~~General Manager's~~ Executive Director'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 (Gov. Code Section 81008).

**Conflict of Interest Code for the  
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