

# Attachment A

## RESOLUTION NO. 2023-11-01

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SERRANO PUBLIC FACILITIES CORPORATION ADOPTING A CONFLICT OF INTEREST CODE FOR THE CORPORATION, AND AMENDING SECTION 3.02 OF THE BYLAWS OF THE CORPORATION**

**WHEREAS**, the Political Reform Act of 1974 (the Act) (Government Code Section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes; and

**WHEREAS**, the Fair Political Practices Commission, which administers the Act, has adopted a regulation (2 Cal. Code Regs. § 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference by a local government agency; and

**WHEREAS**, after public notice and hearing, the standard conflict of interest code may be amended by the Fair Political Practices Commission to conform to amendments in the Act; and

**WHEREAS**, the Act mandates that a local government agency's conflict of interest code specifically enumerate the positions other than those listed in Government Code Section 87200 within the agency which involve the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest and for each such enumerated position, the specific types of investments, business positions, interests in real property, and sources of income which are reportable; and

**WHEREAS**, the Act further mandates that each designated position disclose financial interests on a uniform Statement of Economic Interests form (Form 700) created and routinely updated by the California Fair Political Practices Commission (FPPC), and disqualify themselves from decisions in which a financial interest may influence their decision-making; and

**WHEREAS**, the Serrano Public Facilities Corporation (the Corporation) constitutes a "local government agency" for the purposes of the Act's requirements; and

**WHEREAS**, the Corporation desires to adopt the FPPC's standard conflict of interest code, and designate the positions subject to financial interest disclosure requirements; and

**WHEREAS**, in conjunction with the adoption of the conflict-of-interest code, the Corporation desires to amend its bylaws to permit the Board of Directors to elect a Secretary who is not a director.

**NOW, THEREFORE**, the Serrano Public Facilities Corporation does hereby resolve as follows:

**SECTION 1.** The above recitals are true and correct and incorporated herein.

**SECTION 2.** 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

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by reference. This regulation and the attached Appendix "A" designating positions and establishing disclosure categories, shall constitute the conflict-of-interest code of the Corporation.

**SECTION 3.** The Board of Directors of the Corporation finds and determines that the persons holding the designated positions set forth in Appendix "A" of this Resolution No. 2023-11-01 make or participate in the making of decisions which may foreseeably have a material effect on their financial interests and therefore must disclose such interests in accordance with the disclosure categories established thereupon.

**SECTION 4.** Appendix "A" of this Resolution No. 2023-11-01 shall be the Appendix referred to in subdivision (b)(2) of Section 18730 of Title 2 of the California Code of Regulations.

**SECTION 5.** Nothing in this Resolution supersedes the independent applicability of Government Code Section 87200.

**SECTION 6.** The Section 3.02 of the bylaws of the Corporation is amended to read in its entirety as follows:

Section 3.02. Organization Meeting. The first Board of Directors may at any time hold an organizational meeting at which the directors shall organize by electing from their number a President, and a Vice President who shall be members of the Board. In addition, the Board of Directors shall, at the first organizational meeting, or at meetings of the Board held thereafter, elect a Secretary, Chief Financial Officer and may elect such subordinate officers as they may determine, none of whom need be a director of the Corporation.

**SECTION 7.** The Secretary of the Corporation, the General Manager of the Serrano Water District as of the date of this resolution, is hereby authorized and directed to file a copy of this Resolution with the Clerk of the Board of Supervisors of the County of Orange, as the code reviewing body for the Corporation.

**PASSED, APPROVED, and ADOPTED** this 21<sup>st</sup> day of November 2023.

DIRECTORS: YES: Mills, Haight, Reese, Pelly, Bryant

DIRECTORS: NO:

DIRECTORS: ABSENT:

  
\_\_\_\_\_  
Brad Reese, President

ATTEST:

  
\_\_\_\_\_  
Jerry Wilander, Secretary

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## APPENDIX "A" DESIGNATED POSITIONS AND DISCLOSURE CATEGORIES

<u>Designated Positions</u>	<u>Disclosure Categories</u>	<u>Schedules Associated</u>
Board Members	1	All
Secretary	1	All
Chief Financial Officer	1	All
General Counsel	1	All

Required filers must review Form 700 Schedules and complete forms as mandated by the specific Disclosure Category designated.

<u>Disclosure Category</u>	<u>Required Disclosure</u>
<u>1</u>	All investments and business positions in business entities, sources of income (including receipt of gifts, loans and travel payments) and real property.
<u>2</u>	Investments and business positions in business entities and sources of income (including receipt of gifts, loans and travel payments) if the business entity or source provides leased facilities, products, equipment, vehicles, machinery or services (including training or consulting services) of the type utilized by the Corporation.
<u>3</u>	All income, investments and business positions relating to investments, financings, audits or accounting.
<u>4</u>	All income, investments and business positions relating to water treatment plant fixtures, equipment, chemicals or testing; or water pipelines, valves, pumps or pipeline appurtenances; or groundwater production well equipment, facilities or testing.

\*The Secretary 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. Such written determination shall include a description of the consultant's duties and based upon that description, a statement of the extent of the disclosure requirements. The Secretary'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.