



SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

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AGENDA

BOARD OF DIRECTORS MEETING

City of Arroyo Grande, City Council Chambers

215 East Branch Street

Arroyo Grande, California 93420

Wednesday, October 15, 2014 at 6:00 P.M.

REVISED

Board Members

Matthew Guerrero, Chair

Tony Ferrara, Vice Chair

Glenn Marshall, Director

Agencies

Oceano Community Services District

City of Arroyo Grande

City of Grover Beach

Alternate Board Members

Mary Lucey, Director

Jim Guthrie, Director

Debbie Peterson, Director

Oceano Community Services District

City of Arroyo Grande

City of Grover Beach

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA

This public comment period is an invitation to members of the community to present comments, thoughts or suggestions on matters not scheduled on this agenda. Comments should be limited to those matters which are within the jurisdiction of the District. The Brown Act restricts the Board from taking formal action on matters not published on the agenda. In response to your comments, the Chair or presiding Board Member may:

- Direct Staff to assist or coordinate with you.
- It may be the desire of the Board to place your issue or matter on a future Board meeting agenda.

Please adhere to the following procedures when addressing the Board:

- Comments should be limited to three (3) minutes or less.
- Your comments should be directed to the Board as a whole and not directed to individual Board members.
- Slanderous, profane or personal remarks against any Board Member, Staff or member of the audience shall not be permitted.

Any writing or document pertaining to an open-session item on this agenda which is distributed to a majority of the Board after the posting of this agenda will be available for public inspection at the time the subject writing or document is distributed. The writing or document will be available for public review in the offices of the Oceano CSD, a member agency located at 1655 Front Street, Oceano, California. Consistent with the Americans with Disabilities Act (ADA) and California Government Code §54954.2, requests for disability related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires modification or accommodation in order to participate at the above referenced public meeting by contacting the District Manager or District Bookkeeper/Secretary at (805) 481-6903.

3. CONSENT AGENDA

The following routine items listed below are scheduled for consideration as a group. Each item is recommended for approval unless noted. Any member of the public who wishes to comment on any Consent Agenda item may do so at this time. Any Board Member may request that any item be withdrawn from the Consent Agenda to permit discussion or to change the recommended course of action. The Board may approve the remainder of the Consent Agenda on one motion.

3A. Review and Approval of the Minutes of the October 01, 2014 meeting

3B. Review and Approval of Warrants

4. PLANT SUPERINTENDENT'S REPORT

5. BOARD ACTION ON INDIVIDUAL ITEMS:

A. BIENIANIAL REVIEW OF DISTRICT'S CONFLICT OF INTEREST CODE

Staff recommends the Board receive a report from District Counsel; determine if any changes are necessary; adopt Resolution No 2015-322 Adopting a Conflict of Interest Code; and file notice with the County Clerk.

6. MISCELLANEOUS ITEMS

A. Miscellaneous Oral Communications

Status of Agreement with WSC for Planning Study on Satellite Recycled a Water Project.

B. Miscellaneous Written Communications

8. ADJOURNMENT

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT

City of Arroyo Grande, City Council Chambers
215 East Branch Street
Arroyo Grande, California 93420

Minutes of the Meeting of Wednesday October 01, 2014
6:00 P.M.

1. CALL TO ORDER AND ROLL CALL

Present: Chair Matthew Guerrero, Oceano Community Services District; Director Jim Guthrie, City of Arroyo Grande; Director Glenn Marshall, City of Grover Beach

District Staff in Attendance: Mike Seitz, District Counsel; Rick Sweet, District Manager; John Clemons, Plant Superintendent; Shannon Sweeney, District Engineer; Amy Simpson, District Bookkeeper/Secretary

2. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

Director Guerrero opened the public comment period. There being no public comment, Director Guerrero closed the public comment period.

3. CONSENT AGENDA

3A. Review and Approval of the Minutes of the September 03, 2014 meeting

3B. Review and Approval of Warrants

3C. Review of Financial Report ending July 31, 2014

3D. Approval of the Agreement with the County Public Works for Rental of a Sludge Bed

Action: It was moved to approve the September 03, 2014 minutes 2-0. Consent Items 3B and 3C were approved unanimously as presented. Director Marshall recused himself for Consent Item 3D and the Board voted 2-0 for approval of the agreement.

4. PLANT SUPERINTENDENT'S REPORT

Mr. Clemons presented the Superintendent's Report.

Action: The Board received and filed the Plant Superintendent's report.

District Manager Rick Sweet announced the resignation of an Operator. The recruiting process for an Operator in Training or Operator II will begin this week.

5. BOARD ACTION ON INDIVIDUAL ITEMS

Agreement for Engineering Services with WSC for Planning Study on a Recycled Water Project.

The District has hired WSC to do a Planning Study for a Recycled Water Project. District Manager Rick Sweet introduced Jeff Szytel from Water Systems Consulting, Inc. to explain the concept of the satellite facility and study.

Patricia Price and Brad Snook, Surfrider Foundation, both gave public comment.

Action: This item will be brought back on the next agenda.

8. ADJOURNMENT

There being no further business to come before the Board, Director Guerrero adjourned the meeting at approximately 6:42 p.m.

THESE MINUTES ARE DRAFT AND NOT OFFICIAL UNTIL APPROVED BY THE BOARD OF DIRECTORS AT A SUBSEQUENT MEETING.

SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
WARRANT REGISTER
10/15/2014 FY 2014/15

ISSUED TO	PURCHASE/SERVICE	INV. # / SERVICE PERIOD	WARRANT NO.	ACCT	ACCT BRKDN	TOTAL
ABALONE COAST	CHEMICAL ANALYSIS	2331	1015-8904	7078	465.00	465.00
ADAMSKI MOROSKI MADDEN CUMBERLAND & GREEN	LEGAL SERVICES	33991	05	7070	1,517.00	1,517.00
ALLIED ADMINISTRATORS	EMPLOYEE DENTAL	NOVEMBER	06	6025	961.03	961.03
AMERICAN INDUSTRIAL SUPPLY	PARTS FOR IRRIGATION PUMP	0272155, 0272141	07	8030	102.89	102.89
AMIAD WATER SYSTEMS	WATER FILTER PARTS	7300016351, 7300016545	08	8030	433.62	433.62
APPLIED INDUSTRIAL TECH	CONVEYER MOTOR PART	7003381741	09	8030	19.15	19.15
ARAMARK UNIFORMS	EMPLOYEE UNIFORMS	09/26/14 & 10/03/14, 10/10/14	10	7025	656.12	656.12
B&B STEEL & SUPPLY	STEEL	455612	11	8060	131.37	131.37
BRENNTAG PACIFIC, INC	PLANT CHEMICALS	BPI456724	12	8050	5,931.31	5,931.31
CALIFORNIA ELECTRIC SUPPLY	MISC SUPPLIES	581928, 582283, 582289, 582294, 581907	13	8030	1,788.83	1,788.83
CITY OF SANTA MARIA	VIDEO 33" CONCRETE SEWER LINE	65947	14	8015	773.43	773.43
CENTRAL COAST WATER TRTMNT	LAB SUPPLIES	22932	15	8040	60.00	60.00
CONTRACTORS MAINTENANCE SERVICE	SMALL TOOLS	23180	16	8055	4.32	4.32
ENGEL & GRAY, INC.	BIOSOLIDS HANDLING	74598	17	7085	3,355.14	3,355.14
FARM SUPPLY COMPANY	MISC SUPPLIES	53680, 53681	18	8030	974.87	974.87
FASTENAL	SAFETY SUPPLIES	CAS149667, CAS149869	19	8056	104.18	104.18
FEDEX	SHIPPING	2-801-42337	20	8045	18.64	18.64
GARING TAYLOR & ASSOCIATES	DISTRICT ENGINEERING SERVICES	09/30/8014	21	7077	1,051.25	1,051.25
GLENN MARSHALL	BOARD SERVICE	SEPTEMBER	22	7075	200.00	200.00
I.I SUPPLY	MISC SUPPLIES	MULTIPLE	23	8050	1,261.40	1,261.40
JB DEWAR INC	VEHICLE FUEL AND OIL	69626	24	8020	307.38	307.38
JOSLYN HODSON ACCOUNTING	DISTRICT ACCOUNTING	14-14	25	7079	292.50	292.50
MATTHEW GUERRERO	BOARD SERVICE	SEPTEMBER	26	7075	200.00	200.00
MINERS ACE	MISC SUPPLIES	09/30/2014	27	8030	222.68	222.68
MULLAHEY FORD	VEHICLE REPLACEMENT	NEW F350	28	26-8065	39,517.15	39,517.15
NESTLE PURE LIFE	LAB WATER	140013917373	29	8040	135.75	135.75
OCEANO COMMUNITY SERVICES DIST	WATER SERVICE	07/18/14 TO 09/18/2014	30	7094	115.06	115.06
OFFICE DEPOT	OFFICE SUPPLIES	SEPTEMBER	31	8045	342.92	342.92
PG&E	ELECTRICITY SERVICE	08/11/14 TO 09/10/14	32	7091	16,857.37	16,857.37
PRAXAIR	MISC SUPPLIES	50578742	33	8030	263.06	263.06
R.S. FIRE PROTECTION	FIRE INSPECTION	5-27-14	34	8056	289.54	289.54
SHIPSEY & SEITZ	DISTRICT COUNSEL SERVICES	107369	35	7071	400.30	1,554.30
	LITIGATION	107370		7070	1,154.00	
SLO CO TAX COLLECTOR	TAX ASSESMENT	FY 2014/15	36	XXXX	27,512.26	27,512.26
SO CO SANITARY SERVICE	TRASH SERVICE	OCTOBER	37	7093	111.68	111.68
SPRINT	CELL PHONE SERVICE	SEPTEMBER	38	7013	71.62	71.62
STANLEY SECURITY	SECURITY - NOVEMBER	1371001311	39	7011	62.20	62.20
STEMAR EQUIPMENT & SUPPLY	RENTAL EQUIPMENT	ST197521	40	26/8061	883.43	883.43
THE TRIBUNE	SURPLUS AUCTION ANNOUNCEMENT	09/28/2014	41	7005	56.50	56.50
TONY FERRARA	BOARD SERVICE	SEPTEMBER	42	7075	100.00	100.00
USABLUBOOK	CIRCULAR CHART	456809	43	8030	219.57	219.57
VWR	LAB SUPPLIES	8059023117	44	8040	120.94	120.94
W.W. GRAINGER	HOUSEHOLD SUPPLY'S	9549380963	45	8030	66.05	66.05
SUB TOTAL					\$ 109,111.51	109,111.51
RABOBANK	REIMBURSE PAYROLL	10/03/2014	46	1000	22,358.33	22,358.33
GRAND TOTAL					\$ 131,469.84	\$ 131,469.84

We hereby certify that the demands numbered serially from 101514-8904 to 101514-8946 together with the supporting evidence have been examined, and that they comply with the requirements of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT. The demands are hereby approved by motion of the SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT, together with warrants authorizing and ordering the issuance of checks numbered identically with the particular demands and warrants.

BOARD OF DIRECTORS:

DATE: _____

Chairman

Board Member

Board Member

Secretary

Subject: Superintendent's Report
 October 12, 2014

Chart 1 – Plant Data

September 2014	INF Flow MGD	Peak Flow MGD	INF BOD mg/L	EFF BOD mg/L	INF TSS mg/L	EFF TSS mg/L	Fecal Coli	Cl2 lbs/day	BOD REM Eff. %
Average	2.30	3.6	382	21.55	413	25.81	164	158	94.35
High	2.60	4.5	417	33.7	464	36	900	361	95.72
Limit	5.0			40/60/90		40/60/90	2000		80
1 st Half CY 2014									
Average	2.37	3.8	390.7	27.9	404	33.5	66	151	92.85
High	3.24	4.8	540	34.1	560	46.5	1600	500	

Limit – 40/60/90 represent NPDES Permit limits for the monthly average, weekly average, and instantaneous value for plant effluent BOD and TSS.

Plant processes continue to perform well. The average value for fecal coliform thus far in October is 28 MPN/100ml. The highest value so far is 50 MPN/100ml. Staff has flushed the FFR, and drained and cleaned the Chlorine Contact Chamber. To this point that seems to have solved the issue.

Projects

- District Engineer, Garing, Taylor, and Associates, and District Staff are working with Sancon Engineering to repair the 33” CMP pipe entering the headworks. Work is scheduled to be performed on October 27th and 28th. Staff has removed manhole “cone” to provide access for Sancon.
- Staff has completed the sale of surplus equipment. All ten lots were sold. The Ford F-150 and Ford Ranger were sold at more than their minimum bids (\$2000 and \$1000 respectively). The total received from the sale was \$4,826.37. These funds will be deposited into Fund 19.
- Staff completed installation of FFR pump #3 and VFD. Pump is up and running.
- Staff has begun work to install an ultrasonic level sensor in the #2 Digester Sump.

- Staff is working with Garing, Taylor, and Associates to update Plant Water Flow and Plant Solids Handling Diagrams.
- Staff removed and replaced irrigation well pump. Up and running.
- Staff replaced temperature sensor in the Centrifuge bearings section.
- Staff repaired back up chlorine sensor.
- Staff repaired ferric pump.

Miscellaneous

- Staff performed FOG inspection at Beach Burger Restaurant.
- Staff attended safety training session on respiratory protection.
- Staff began recruitment for Operator position. Application deadline is October 20th at 4:00pm.

Best regards,

John Clemons
Superintendent

AGENDA ITEM: 5A

TO: SSLOCSD BOARD OF DIRECTORS
FROM: MICHAEL W. SEITZ, DISTRICT COUNSEL
DATE: SEPTEMBER 29, 2014
RE: 2014 CONFLICT OF INTEREST BIENNIAL REVISION

BACKGROUND

I received a telephone call from the San Luis Obispo County Clerk Recorder requesting a formatting change to the newly adopted 2014 Conflict of Interest Appendix "B". The Recorder indicated a change in the designated positions for the members that have financial authority. Pursuant to the Recorder's instructions, the Governing Board and District Administrator were stricken from the designated positions listed in the beginning and put in a separate box under the section regarding financial authority.

RECOMMENDATION

Adopt the 2014 biennial Conflict of Interest Policy update with required changes to Appendix "B".

Therefore, I am providing both the clean version as well as the amended version for incorporation into the adopted Conflict of Interest Policy.

END

APPENDIX "A"
TO SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
2014 CONFLICT OF INTEREST CODE - REGULATION 18730
(INCLUDES ASSUMING OFFICE STATEMENTS, ANNUAL STATEMENTS AND
LEAVING OFFICE STATEMENTS. SEE SECTION 5 BELOW)

(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.)

§ 18730. Provisions of Conflict of Interest Codes.

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of ~~Government Code section~~Section 87300 or the amendment of a conflict of interest code within the meaning of ~~Government Code section~~Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, ~~Government Code sections~~Sections 81000, et seq. The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in ~~Government Code section~~Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (~~2 Cal. Code of Regs. Sections~~Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in ~~Government Code section~~Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, ~~Government Code sections~~Sections 87200, et seq.

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

- (A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;
- (B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, ~~Government Code section~~Sections 87200; and
- (C) The filing officer is the same for both agencies. ~~(fn1)~~¹

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code. ~~(fn2)~~²

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) ~~INITIAL STATEMENTS~~Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) ~~ASSUMING OFFICE STATEMENTS~~Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) ~~ANNUAL STATEMENTS~~Annual Statements. All designated employees shall file statements no later than April 1.

(D) ~~LEAVING OFFICE STATEMENTS~~Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) ~~CONTENTS OF INITIAL STATEMENTS~~ Contents of Initial Statements. Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) ~~CONTENTS OF ASSUMING OFFICE STATEMENTS~~ Contents of Assuming Office Statements. Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) ~~CONTENTS OF ANNUAL STATEMENTS~~ Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Government Code section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to 2 Cal. Code Regs. section 18754.

(D) ~~CONTENTS OF LEAVING OFFICE STATEMENTS~~ Contents of Leaving Office Statements. Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) ~~**INVESTMENT AND REAL PROPERTY DISCLOSURE**~~Investment and Real Property Disclosure. When an investment or an interest in real ~~property~~ ~~(fn3)~~property³ is required to be reported, ~~(fn4)~~⁴ the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds ~~two thousand dollars~~ (\$2,000), ~~exceeds ten thousand dollars~~ (\$10,000), ~~exceeds one hundred thousand dollars~~ (\$100,000), or exceeds ~~one million dollars~~ (\$1,000,000).

(B) ~~**PERSONAL INCOME DISCLOSURE**~~Personal Income Disclosure. When personal income is required to be reported, ~~(fn5)~~⁵ the statement shall contain:

1. The name and address of each source of income aggregating ~~five hundred dollars~~ (\$500) or more in value, or ~~fifty dollars~~ (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was ~~one thousand dollars~~ (\$1,000) or less, greater than ~~one thousand dollars~~ (\$1,000), greater than ~~ten thousand dollars~~ (\$10,000), or greater than ~~one hundred thousand dollars~~ (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) ~~**BUSINESS ENTITY INCOME DISCLOSURE**~~Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported, ~~(fn6)~~⁶ the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ~~ten thousand dollars~~ (\$10,000).

(D) ~~BUSINESS POSITION DISCLOSURE~~ Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) ~~ACQUISITION OR DISPOSAL DURING REPORTING PERIOD~~ Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of ~~Government Code~~ Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by ~~Government Code~~ section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$420.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$420 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of ~~Government Code section~~ Section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to ~~subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution~~ subdivisions (c), (d), (e), (f)

and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to ~~subdivisions (e), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution~~ subdivisions (c), (d), (e), (f) and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans from a person which, in the aggregate, do not exceed ~~five hundred dollars~~ (\$500) at any given time.
4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date

of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.
2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
 - a. The date the loan was made.
 - b. The date the last payment of ~~one hundred dollars (\$100)~~ or more was made on the loan.
 - c. The date upon which the debtor has made payments on the loan aggregating to less ~~than two hundred fifty dollars (\$250)~~ during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
2. A loan that would otherwise not be a gift as defined in this title.
3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.
4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this

paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth ~~two thousand dollars~~ (\$2,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth ~~two thousand dollars~~ (\$2,000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating ~~five hundred dollars~~ (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$420 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official

knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value ~~one thousand dollars~~ (\$1,000) or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to ~~Government Code section~~ Section 83114 and ~~2-Cal. Code Regs. sections~~ Regulations 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, ~~Government Code sections~~ Sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of ~~Government Code section~~ Section 87100 or 87450 has occurred may be set aside as void pursuant to ~~Government Code section~~ Section 91003.

^{±1}Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Government Code section 81004.

²See ~~Government Code section~~ Section 81010 and ~~2-Cal. Code of Regs. section~~ Section 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

3.³For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

4.⁴Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

5.⁵A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

6.⁶Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

APPENDIX “B”

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
2014 CONFLICT OF INTEREST CODE
APPENDIX OF DESIGNATED OFFICERS & EMPLOYEES
WITH DISCLOSURE CATEGORIES**

I. DESIGNATED POSITIONS

The persons occupying the positions listed below are hereby considered designated officers and employees and are deemed to make, or participate in the making of, decisions, which may have a material effect on a financial interest.

DESIGNATED POSITION	ASSIGNED DISCLOSURE CATEGORIES
District Legal Counsel	1,2,3
District Engineer	1,2,3
Consultants, contractors and Contract Employees that are identified by contract.	1,2,3

II. OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

Disclosure is required of the following positions and shall be provided as stated in Government Code section 87200 et seq.

DESIGNATED POSITION
Members of the Board of Directors
District Administrator

III. DISCLOSURE CATEGORIES

Category 1: All persons in this disclosure category shall disclose all interests in real property located in the District or within two miles of the District’s boundaries. This disclosure is not applicable to the person’s principal residence or real property interests with a fair market value of less than \$2,000.

Category 2: All persons in this disclosure category shall disclose all investments in business entities and business positions in business entities that have an interest in real property in the District, or that have done business with the District during the year prior to the date of the person’s disclosure statement, or that are likely to do business with District during the year subsequent to the date of the person’s disclosure statement. This disclosure category is not applicable to investments with a fair market value of less than \$2,000.

Category 3: All persons in this disclosure category shall disclose all sources of personal and business entity income from entities that provide services, materials, machinery equipment, or supplies of the type utilized by the District or that are located within the District, including gifts, loans and travel payments. This disclosure category is not applicable to income received from the District.

Consultants. “Consultant” means an individual who, pursuant to a contract with the District, either: (A) Makes a governmental decision whether to (1) approve a rate, rule, or regulation; (2) adopt or enforce a law; (3) issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement; (4) authorize the District to enter into, modify, or renew a contract provided it is the type of contract that requires District approval; (5) grant District approval to a contract that requires District approval and to which the District is a party, or to the specifications for such a contract; (6) grant District approval to a plan, design, report, study, or similar item; or (7) adopt or grant District approval of policies, standards, or guidelines for the agency, or for any subdivision thereof; or (B) Serves in a staff capacity with the District and in that capacity participates in making a governmental decision as defined in California Code of Regulations, title 2, section 18702.2 or performs the same or substantially all the same duties for the District that would otherwise be performed by an individual holding a position specified in the District’s conflict of interest code. (California Code of Regulations, title 2, section 18701(a)(2).)

APPENDIX "B"

**SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
2014 CONFLICT OF INTEREST CODE
APPENDIX OF DESIGNATED OFFICERS & EMPLOYEES
WITH DISCLOSURE CATEGORIES**

I. DESIGNATED POSITIONS

The persons occupying the positions listed below are hereby considered designated officers and employees and are deemed to make, or participate in the making of, decisions, which may have a material effect on a financial interest.

- ~~Members of the Board of Directors~~
- ~~District Administrator~~
- ~~District Legal Counsel~~
- ~~Consultants, contractors and Contract Employees that are identified by contract.~~

<u>DESIGNATED POSITION</u>	<u>ASSIGNED DISCLOSURE CATEGORIES</u>
Members of the Board of Directors	1,2,3
District Administrator	1,2,3
District Legal Counsel	1,2,3
District Engineer	1,2,3
Consultants, contractors and Contract Employees that are identified by contract.	1,2,3

~~The District has determined that all the positions listed above manage public investments within the meaning of Government Code section 87200 and California Code of Regulations title 2, section 18720, and those persons holding these positions must file statements of economic interest (FPPC Form 700) pursuant to the state Political Reform Act.~~

II. OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

~~Disclosure is required of the following positions and shall be provided as stated in Government Code section 87200 et seq.~~

<u>DESIGNATED POSITION</u>	<u>ASSIGNED DISCLOSURE CATEGORIES</u>
Members of the Board of Directors	1,2,3

III. DISCLOSURE CATEGORIES

The disclosure categories for each of the above designated officers and employees shall be those described in subparagraphs "A" – "E" of Section 7 of Regulation 18730, the District's Conflict of Interest Code as follows:

- A. Investment and Real Property Disclosure
- B. Personal Income Disclosure
- C. Business Entity Income Disclosure
- D. Business Position Disclosure
- E. Acquisition or Disposal During Report Period

Category 1: All persons in this disclosure category shall disclose all interests in real property located in the District or within two miles of the District's boundaries. This disclosure is not applicable to the person's principal residence or real property interests with a fair market value of less than \$2,000.

Category 2: All persons in this disclosure category shall disclose all investments in business entities and business positions in business entities that have an interest in real property in the District, or that have done business with the District during the year prior to the date of the person's disclosure statement, or that are likely to do business with District during the year subsequent to the date of the person's disclosure statement. This disclosure category is not applicable to investments with a fair market value of less than \$2,000.

Category 3: All persons in this disclosure category shall disclose all sources of personal and business entity income from entities that provide services, materials, machinery equipment, or supplies of the type utilized by the District or that are located within the District, including gifts, loans and travel payments. This disclosure category is not applicable to income received from the District.

Consultants. "Consultant" means an individual who, pursuant to a contract with the District, either: (A) Makes a governmental decision whether to (1) approve a rate, rule, or regulation; (2) adopt or enforce a law; (3) issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement; (4) authorize the District to enter into, modify, or renew a contract provided it is the type of contract that requires District approval; (5) grant District approval to a contract that requires District approval and to which the District is a party, or to the specifications for such a contract; (6) grant District approval to a plan, design, report, study, or similar item; or (7) adopt or grant District approval of policies, standards, or guidelines for the agency, or for any subdivision thereof; or (B) Serves in a staff capacity with the District and in that capacity participates in making a governmental decision as defined in California Code of Regulations, title 2, section 18702.2 or performs the same or substantially all the same duties for the District that would otherwise be

performed by an individual holding a position specified in the District's conflict of interest code. (California Code of Regulations, title 2, section 18701(a)(2).)

RESOLUTION NO. 2014 - 322

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT
ADOPTING A CONFLICT OF INTEREST CODE**

WHEREAS, Government Code § 87300 requires the Board of Directors of District to adopt and promulgate a conflict of interest code pursuant to Article III of Chapter 7 of Title 9 of the Government Code;

WHEREAS, Fair Political Practices Commission Regulation 18730 (2 California Code of Regulations Section 18730), a copy of which is attached hereto as Appendix “A”, authorizes the District to incorporate Regulation 18730 by reference as the body of its Conflict of Interest Code; and

WHEREAS, the Board of Directors of the District desires to incorporate Regulation 18730 by reference as the body of its Conflict of Interest Code; and

WHEREAS, in order to complete a Conflict of Interest Code which is adopted by incorporating Regulation 18730 by reference, the District Board of Directors must adopt a list of designated officials and employees and their disclosure categories as an appendix to Regulation 18730,

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SOUTH SAN LUIS OBISPO COUNTY SANITATION DISTRICT DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

SECTION 1. The terms of Regulation 18730, and any amendments to said Regulation which may be adopted from time to time by the Fair Political Practices Commission, are hereby incorporated by reference as the body of the Conflict of Interest Code of the South San Luis Obispo County Sanitation District (Appendix “A”).

SECTION 2. The list of designated officers and employees with disclosure categories is attached hereto as Appendix “B”, and is hereby adopted as the Appendix of designated officers and employees with disclosure categories referred to in Regulation 18730.

On the motion of _____, seconded by _____, and on the following roll call vote, to wit:

AYES:
NOES:
ABSENT:
CONFLICTS:

The foregoing resolution is hereby passed, approved and adopted by the Board of Directors of the South San Luis Obispo County Sanitation District this ____ day of _____, 2014.

MATTHEW GUERRERO, Chairman
Board of Directors, South San Luis Obispo
County Sanitation District

ATTEST:

RICHARD SWEET, District Administrator