Spalding Community Service District

POLICY HANDBOOK

POLICY TITLE: **Conflict of Interest**
POLICY NUMBER: **1020**

1020.1 The Political Reform Act, Government Code §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. §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. §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 members of the Board of Directors and employees are designated, and in which disclosure categories are set forth, constitute the conflict of interest code of the District.

1020.2 Designated employees shall file statements of economic interests with the Clerk of the County of ~~Lassen County~~Lassen. Members of the Board of Directors, the General Manager, and the Fire Chief shall file all statements (initial, annual, and leaving-office) with the Clerk of the County of Lassen; the District may also keep a copy in its files. Statements shall be filed on the Fair Political Practices Commission's Form 700, within the following time limits set by 2 Cal. Code of Regs. §18730:

1020.2.1 Initial statements are due within 30 days of the effective date of this Code or of the amendment that designates the position.

1020.2.2 Assuming-office statements are due within 30 days of assuming a designated position.

1020.2.3 Annual statements are due no later than April 1.

1020.2.4 Leaving-office statements are due within 30 days of leaving a designated position.

1020.3 Amendment and approval. This Code and any amendment to it shall be adopted by resolution of the Board of Directors and submitted to the code reviewing body, the Lassen County Board of Supervisors, for

approval. Appendix A was adopted by Resolution No. 2026-09. The Code, or an amendment, takes effect when approved by the code reviewing body. The District shall submit any amendment made necessary by a change in designated positions, disclosure categories, or the law within ninety (90) days of the change, as provided in Government Code §87306.

1020.4 Biennial review. In each even-numbered year the General Manager shall review this Code, including Appendix A, and report to the Board whether it is accurate or needs amendment because of changes in the District's organization, the duties of designated positions, or the law. By the deadline set by the code reviewing body, the Board shall either adopt an amended Code or submit a statement that no amendment is required, as provided in Government Code §87306.5.

1020.5 Disqualification. Whether or not a position is designated in Appendix A, a Director, officer, or employee who has a financial interest in a decision, as defined by the Political Reform Act (Government Code §87100 et seq.) and Fair Political Practices Commission regulations, shall not make, participate in making, or attempt to influence that decision, and shall comply with Government Code §1090 regarding contracts in which an official has a financial interest.

1020.6 The General Manager, as Secretary of the Board, shall maintain a current list of designated positions and incumbents, notify each person of the filing requirement upon appointment, and keep the adopted Code and the code reviewing body's approval on file.

APPENDIX A

Conflict of Interest Code of the Spalding Community Service District

~~**TEHAMA COUNTY/RED BLUFF LANDFILL MANAGEMENT AGENCY – RESOLUTION NO. _____ – A RESOLUTION ADOPTING A CONFLICT OF INTEREST CODE**~~

~~WHEREAS, the Tehama County/Red Bluff Landfill Management Agency is a joint powers agency formed by the County of Tehama and the City of Red Bluff (hereinafter referred to as "Agency"), as the owners of the Red Bluff landfill ("the landfill"), to provide for management and operation of the landfill; and~~

~~WHEREAS, the Spalding Community Service District ("District") is a special district in Lassen County, California, that provides wastewater, fire protection, and recreation services; and~~

~~WHEREAS, 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 California Code of Regulations Section 18730, which contains the terms of a standard Conflict of Interest Code, which Code may be amended from time to time by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. It is the purpose of this Code to establish a Conflict of Interest Code for the District, in compliance with the requirements of the Political Reform Act and implementing state regulations.~~

~~NOW THEREFORE, BE IT HEREBY RESOLVED by the Board of Directors of the Spalding Community Service District~~, as follows:

Adopted by Resolution No. 2026-09 of the Board of Directors on _____, 2026; effective upon approval by the Lassen County Board of Supervisors.

1. Model Code Adopted. 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 and, along with this Appendix A in which officials and employees are designated and disclosure categories are set forth, constitute the Conflict of Interest Code of the District. ~~The model Conflict of Interest Code, contained in 2 California Code of Regulations Section 18730, as existing on January 1, 2005, is attached hereto as Appendix II.~~ The current text of Section 18730 is incorporated by reference, and a copy shall be kept on file with the Secretary of the Board.

2. Designated Positions and Filing. Pursuant to Section 4(A) of the Standard Code, designated employees, as shown in Section 4 below, shall file statements of economic interests with the Clerk of the County of Lassen, within the time limits established by Section 5 of the Standard Code.

~~**DISCLOSURE CATEGORIES (Tehama County)**~~

~~CATEGORY II: All sources of income, business positions, investments and financial interests in business entities located or doing business in Tehama County.~~
~~CATEGORY III: All sources of income, business positions, investments and financial interests in business entities located or doing business in Tehama County which are of the type the reporting party's department or office does business with, is regulated by, or may secure material, supplies or equipment from.~~
~~CATEGORY IV: Interests in real property within Tehama County.~~

3. Disclosure Categories.

Category 1: All investments, business positions in business entities, and sources of income, including gifts, loans, and travel payments, from sources that are located in or doing business in Lassen County, or that provide services, supplies, materials, machinery, vehicles, equipment, or contract work of the type utilized by the District.

Category 2: All interests in real property located within the boundaries of the District or within two (2) miles of the boundaries of the District, or of any land owned or used by the District.

~~DISCLOSURE REQUIREMENTS FOR DESIGNATED EMPLOYEES (Tehama): Category I – Solid Waste Manager; Agency Counsel; Consultants. Categories II–IV – None.~~

4. Designated Positions and Assigned Disclosure Categories.

	Designated Position	**Policy**	**Disclosure Category**
	Member of the Board of Directors	4000 series	1 and 2
	General Manager (also Secretary of the Board)	2950	1 and 2
	Fire Chief	2930	1
	Consultants (see Section 5)	3205	As determined in Section 5

5. Disclosure by Consultants. Consultants shall be required to file a conflict of interest form with the Clerk of the County of Lassen within 30 days of the execution of the contract for the consultant's services, in the format for Category 1, provided, however, that the Board of Directors may, upon the recommendation of the General Manager, determine that the functions of the consultant are such that the duties are limited in scope and do not present a reasonable possibility or opportunity to influence decisions that might otherwise have an economic impact on the consultant or his or her source of income or any real property owned by the consultant within the District. Any such determination shall include and be based on a written description of the consultant's duties, which description may be included as the scope of work in the consultant's written contract with the District. A consultant shall be any person as defined under 2 California Code of Regulations 18700.3. Professional engineers and surveyors shall not be considered consultants for the purpose of reporting when undertaking professional activities as described in Government Code Section 87100.1(a).

6. Disclosure Statements. Statements shall be made on Form 700 and shall contain the information required by this Code for the position's disclosure category. A person holding more than one designated position shall file one statement, in the category requiring the broadest disclosure.

7. Review and Amendment. This Code shall be reviewed every even-numbered year and amended as needed, in accordance with Policies 1020.3 and 1020.4 and Government Code §§87306 and 87306.5.

8. Severability. If any provision of this Code or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this Code which can be given effect without the invalid provision or application, and to this end the provisions of this Code are severable.

NOTES FOR THE BOARD (remove before adoption)

Policy 1020 already exists (Conflict of Interest, 2010). This is a proposed amendment, not a new policy. ~~Gray strikethrough~~ = existing language proposed for removal. Yellow highlight = new or revised language.

1. Positions designated: Board members, General Manager, Fire Chief (plus consultants only if the Board so determines). The Bookkeeper, office staff, and Wastewater System Operator are not designated, matching current practice. Counsel should confirm none of them makes or participates in District financial or contracting decisions.

2. Change from current practice: Board members will file annual and leaving-office Form 700s with the County Clerk, not only the initial one (the Clerk has said it will hold them).

3. The 2026 biennial notice deadline was October 1, 2026 and has likely passed. Confirm with the County (code reviewing body) and submit the notice marked "amendment required," with the adopted Resolution No. 2026-09 and Appendix A. Policy 1020 and Resolution 2026-09 are adopted together; no reading period was found in District policy (counsel to confirm).

4. Have District legal counsel review the disclosure categories before adoption.