

9/12/22 - Amended to update item #7, next meeting date.



Chino Hills · Diamond Bar · Industry

TRES HERMANOS CONSERVATION AUTHORITY BOARD OF DIRECTORS MEETING

SEPTEMBER 14, 2022 AGENDA
6:00 p.m.

CITY OF DIAMOND BAR
21810 COPLEY DR.
DIAMOND BAR, CALIFORNIA

Chair, Cathy Marcucci
Vice-Chair, Nancy Lyons
Director, Ray Marquez
Director, Cory Moss
Director, Peter Rogers
Director, Newell Ruggles
Director, Steve Tye

Addressing the Authority:

NOTICE OF TELEPHONIC MEETING:

Consistent with State Assembly Bill 361, the Tres Hermanos Conservation Authority shall be held telephonically and in person in the Windmill Room, City of Diamond Bar City Hall. Directors and limited staff will be physically present for this meeting. If you would like to attend the meeting in person, please note that face coverings are recommended.

How to Observe the Meeting:

Members of the public who wish to listen ONLY may join the meeting by calling the following conference call number: +1 (631) 992-3221 and entering the Access Code: 983-164-267.

How to Submit Public Comment:

Members of the public may provide public comment by sending written comments to the Authority Clerk by email at cityclerk@DiamondBarCA.gov by 4:00 p.m. on the day of the meeting. Please indicate in the Subject Line "FOR PUBLIC COMMENT." Written comments will be distributed to the Authority Directors and noted for the record at the meeting.

Alternatively, public comment may be submitted by joining the meeting in person or logging onto the meeting through this link: <https://attendee.gotowebinar.com/register/3295198291165530126> Members of the public will be called upon one at a time during the Public Comment portion of the agenda, and will be asked to state their name and agenda item they wish to comment on.

Copies of staff reports or other written documentation relating to agenda items are on file in the Office of the City Clerk at Diamond Bar City Hall, and are available for public inspection. If requested, the agenda will be made available in an alternative format to a person with disability as required by Section 202 of the Americans with Disabilities Act of 1990. If you have questions regarding an agenda item, please contact the Authority Secretary at (909) 839-7010 during regular business hours.

In an effort to comply with the requirements of Title II of the Americans with Disabilities Act of 1990, the Tres Hermanos Conservation Authority requires that any person in need of any type of special equipment, assistance or accommodation(s) in order to communicate at a public meeting, must inform the Authority Secretary a minimum of 72 hours prior to the scheduled meeting.

1. CALL TO ORDER**PLEDGE OF ALLEGIANCE****ROLL CALL**

- 2. PUBLIC COMMENTS:** At this time, members of the public may address the Authority regarding any items within the subject matter jurisdiction of the Authority provided NO action or discussion may be taken on any item not appearing on the agenda, except the Authority may BRIEFLY respond to statements made or questions posed. Comments are limited to five minutes per Speaker.

3. CONSENT CALENDAR:

- 3.1 Minutes of the August 31, 2022 Special Meeting.

Recommendation:

Approve the August 31, 2022 Special Tres Hermanos Conservation Authority meeting minutes.

- 3.2 Payment Register.

Recommendation:

That the Authority receive and file the payment register for the month ended July 31, 2022.

- 3.3 Treasurer's Report for the Month Ended July 31, 2022.

Recommendation:

That the Authority receive and file the Treasurer's Reports for the month ended July 31, 2022.

- 3.4 Continued Use of Teleconferencing in Accordance with Assembly Bill 361 for Meetings of the Tres Hermanos Conservation Authority.

Recommendation:

Adopt Resolution No. THCA 2022-15 entitled: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY MAKING SPECIFIED FINDINGS RELATING TO THE USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE AUTHORITY SUBJECT TO STATE OPEN MEETING LAWS.

4. OLD BUSINESS:

There Is None.

5. NEW BUSINESS:

5.1 Conflict of Interest Code Amendment Revisions.

Recommendation:

That the Authority:

1. Review and approve the proposed revisions made by the Fair Political Practices Commission (FPPC) to the Conflict of Interest Code Amendment;
2. Direct the Filing Officer to submit approval to the FPPC for final review; and
3. Bring the Conflict of Interest Code back to the Authority for adoption subsequent to the FPPC's approval.

6. AUTHORITY STAFF AND AUTHORITY DIRECTOR COMMENTS:

7. ADJOURNMENT: The next regular Tres Hermanos Conservation Authority meeting will be Wednesday, **October 12**, 2022 at 6:00 p.m.

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 3.1



Chino Hills · Diamond Bar · Industry

Date: September 14, 2022
To: Chair and Board of Directors
From: Daniel Fox, Executive Director
Subject: Minutes of the August 31, 2022 Special Meeting.

Recommendation:

Approve the August 31, 2022 Special Tres Hermanos Conservation Authority meeting minutes.

Background/Discussion:

Attached for Board review and approval are the minutes of the August 31, 2022 Tres Hermanos Conservation Authority meetings.

Respectfully Submitted,

Reviewed By,

Kristina Santana

Kristina Santana, City Clerk

9/7/2022

Daniel Fox

Daniel Fox, City Manager

9/8/2022

Attachments:

1. August 31, 2022 Special Tres Hermanos Conservation Authority Meeting Minutes

TRES HERMANOS CONSERVATION AUTHORITY
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
DIAMOND BAR, CALIFORNIA
AUGUST 31, 2022
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1. CALL TO ORDER

The Special Meeting of the Tres Hermanos Conservation Authority was called to order by Chair/Marcucci at 9:01 a.m.

Chair/Marcucci announced that consistent with State Assembly Bill 361, the Tres Hermanos Conservation Authority meeting was being held via teleconference, and members of the public were invited to participate telephonically.

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was led by Chair Marcucci.

ROLL CALL:

Directors in attendance telephonically: Director Ray Marquez
Director Cory Moss
Director Peter Rogers
Alternate Director Stan Liu
Vice-Chair Nancy Lyons
Chair Cathy Marcucci

Directors Absent: Director Newell Ruggles
Director Steve Tye

Staff in attendance telephonically: Dan Fox, Executive Director; Ben Montgomery, Deputy Executive Director; Joshua Nelson, Administrative Director; Tracy Egoscue, Authority Counsel; Sam Pedroza, City of Industry Assistant City Manager/Public Affairs Manager

2. PUBLIC COMMENTS:

None.

TRES HERMANOS CONSERVATION AUTHORITY
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
DIAMOND BAR, CALIFORNIA
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3. CONSENT CALENDAR:

3.1 MINUTES OF THE AUGUST 10, 2022 REGULAR TRES HERMANOS CONSERVATION AUTHORITY MEETING MINUTES.

RECOMMENDED ACTION: APPROVE THE AUGUST 10, 2022 TRES HERMANOS CONSERVATION AUTHORITY MEETING MINUTES.

3.2 CONTINUED USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE TRES HERMANOS CONSERVATION AUTHORITY.

RECOMMENDED ACTION: ADOPT RESOLUTION NO. THCA 2022-14 ENTITLED: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY MAKING SPECIFIED FINDINGS RELATING TO THE USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE AUTHORITY SUBJECT TO STATE OPEN MEETING LAWS.

MOTION BY DIRECTOR MOSS AND SECOND BY DIRECTOR MARQUEZ TO APPROVE THE CONSENT CALENDAR AS PRESENTED. MOTION CARRIED 6-0 BY THE FOLLOWING VOTE.

AYES:	DIRECTORS:	MARQUEZ, MOSS, ROGERS, LIU, VICE-CHAIR LYONS, CHAIR MARCUCCI
NOES:	DIRECTORS:	NONE
ABSENT:	DIRECTORS:	RUGGLES, TYE

4. OLD BUSINESS: There was none.

5. NEW BUSINESS: There was none.

6. AUTHORITY STAFF AND AUTHORITY DIRECTOR COMMENTS:

CM/Fox announced that the September 14, 2022 meeting will not need to be rescheduled as a quorum is anticipated.

Director Moss reminded everyone to keep cool during the hot weather this weekend.

TRES HERMANOS CONSERVATION AUTHORITY
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
DIAMOND BAR, CALIFORNIA
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7. **ADJOURNMENT:** There being no further business, Chair Marcucci adjourned the Tres Hermanos Conservation Authority Special Meeting at 9.06 a.m. to the September 14, 2022 meeting.

CATHY MARCUCCI
CHAIR

KRISTINA SANTANA
AUTHORITY SECRETARY

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 3.2



Chino Hills · Diamond Bar · Industry

Date: September 14, 2022
To: Chair and Board of Directors
From: Daniel Fox, Executive Director
Subject: Payment Register.

Recommendation:

That the Authority receive and file the payment register for the month ended July 31, 2022.

Background/Discussion:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 5.2 Disbursements, the warrants and wire transfers of the Authority should be periodically reviewed by the Board.

Attached for your review is the payment registers for the month ended July 31, 2022. These payments may include the following types: automatic clearing house (ACH), electronic funds transfer (EFT), and paper check. ACH payments have a five-digit number starting with a "2", EFT payments have a five-digit number starting with a "1", and paper checks have a four-digit number.

Respectfully Submitted,

Reviewed By,

Christina Buhagiar

Christina Buhagiar, Treasurer 9/8/2022

Daniel Fox

Daniel Fox, City Manager 9/8/2022

Attachments:

1. THCA Payment Register - July 2022

Tres Hermanos Conservation Authority

Payment Register

From 7/1/2022 to 7/31/2022

#	DATE	VENDOR NAME	CONTRACT/ PO#	DESCRIPTION	RETENTION	INVOICE AMT
5102	7/13/2022	EGOSCUE LAW GROUP, INC.	THCA19-004	EGOSCUE/LEGAL/JUN22		\$437.50
TOTAL						\$437.50
5103	7/13/2022	INDUSTRY SECURITY SERVICES, INC		INDSTY/SECURITY SRVCS/MAY22		\$3,440.56
TOTAL						\$3,440.56
5104	7/20/2022	CITY OF INDUSTRY	THCA21-005	LACNTY/PEST-WEEDABT/MAR22		\$24,102.24
TOTAL						\$24,102.24
5105	7/20/2022	SO CAL INDUSTRIES		SOCAL IND/RESTROOM RENT/JUNE22		\$103.00
TOTAL						\$103.00
5106	7/27/2022	ALLIANT INSURANCE SERVICES, INC.		FY22-23 CRIME INSURANCE POLICY		\$1,737.00
TOTAL						\$1,737.00
5107	7/27/2022	CITY OF CHINO HILLS		CH/WATER 5/12/22-6/15/22		\$355.65
TOTAL						\$355.65
5108	7/27/2022	CITY OF INDUSTRY	THCA21-005	LACNTY/PEST-WEEDABT/APR22		\$17,384.84
TOTAL						\$17,384.84
5109	7/27/2022	INDUSTRY SECURITY SERVICES, INC		INDSTY/SECURITY SRVCS/JUN22		\$3,321.92
TOTAL						\$3,321.92
5110	7/27/2022	JANUS PEST MANAGEMENT, INC.	THCA21-001	JANUS/PEST/JUN22		\$65.00
TOTAL						\$65.00
TOTAL						\$50,947.71

Note: The payments above may include the following types: automatic clearing house (ACH), electronic funds transfer (EFT), and paper check. ACH payments have a five-digit number starting with a "2", EFT payments have a five-digit number starting with a "1", and paper checks have a four-digit number.

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 3.3



Chino Hills · Diamond Bar · Industry

Date: September 14, 2022
To: Chair and Board of Directors
From: Daniel Fox, Executive Director
Subject: Treasurer's Report for the Month Ended July 31, 2022.

Recommendation:

That the Authority receive and file the Treasurer's Reports for the month ended July 31, 2022.

Background/Discussion:

Pursuant to the Amended and Restated Tres Hermanos Conservation Authority Joint Powers Agreement Section 5.3 Accounts, the Treasurer must verify and report in writing, at least quarterly, the amount of money held for the Authority, the amount of interest earnings, revenues, and expenditures since the last report.

Attached for your information is the Treasurer's Report for the month ended July 31, 2022.

Respectfully Submitted,

Reviewed By,

Christina Buhagiar

Christina Buhagiar, Treasurer

9/8/2022

Daniel Fox

Daniel Fox, City Manager

9/8/2022

Attachments:

1. Treasurer's Report - July 2022

Tres Hermanos Conservation Authority
Treasurer's Report
For the Month Ended July 31, 2022

Description	Cost Value	Market Value	Interest/ Book Yield	Maturity Date	% of Portfolio
Cash and Cash Equivalents					
Citizens Business Bank - Premium Money Market	\$ 50,576	\$ 50,576	0.02%	n/a	33.47%
LAIF Account	101,861	100,550	1.09%	n/a	66.53%
Total Investment Portfolio	\$ 152,437	\$ 151,126			100.00%

Blended Yield of Cash and Investments 0.73%

Benchmarks:	
LAIF	1.09%
6mo U.S. Treasury	2.91%
2yr U.S. Treasury	2.89%
5yr U.S. Treasury	2.70%

I hereby certify that the investments are in compliance with the investment policy adopted by the the Board of Directors. The investment portfolio provides sufficient funds to meet the budgeted expenditures over the next six months. This report meets the requirements of Government Code Section 53646.



Christina Buhagiar
Treasurer

Tres Hermanos Conservation Authority
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Month Ended July 31, 2022

	Revised Budget 2022/23	July 2022	Fiscal Year To Date 2022/23	% of Budget Used
Revenues:				
Interest Income	\$ -	\$ -	\$ -	-
Fair Market Value Adjustment	-	1,951	1,951	-
Rental Income	13,743	1,005	1,005	7%
Reimbursements	4,920	-	-	0%
Contributions from Member Agencies	187,943	187,943	187,943	100%
Total Revenues	<u>206,606</u>	<u>190,899</u>	<u>190,899</u>	<u>92%</u>
Expenditures:				
Contractual Services	105,555	-	-	0%
Bank Charges	180	20	20	11%
Audit Services	2,040	-	-	0%
Legal Services	6,720	-	-	0%
Security Services	42,501	-	-	0%
Professional Services	30,000	-	-	0%
Liability Insurance	19,800	1,737	1,737	9%
Office Supplies	201	-	-	0%
Water	4,920	-	-	0%
Permits & Fees	5,445	-	-	0%
Total Expenditures	<u>217,362</u>	<u>1,757</u>	<u>1,757</u>	<u>1%</u>
Excess of Revenues Over/(Under) Expenditures	<u>\$ (10,756)</u>	<u>\$ 189,142</u>	<u>\$ 189,142</u>	
Fund Balances:				
Estimated Beginning of Fiscal Year *			\$ 90,161	
Excess of Revenues Over/(Under) Expenditures			189,142	
As of July 31, 2022			<u>\$ 279,303</u>	A
Fund Balances by City:				
Chino Hills			\$ 93,101	
Diamond Bar			93,101	
Industry			93,101	
Total Fund Balances by City			<u>\$ 279,303</u>	

A The ending fund balance in the amount of \$279,303 differs from the bank balance of \$152,437. The (\$126,866) difference is the net of (\$46,611) in outstanding checks; (\$14,653) in accounts payable; \$196 in a deposit in transit and \$187,934 in accounts receivable from contributions from member agencies and from the tenants.

* The Estimated Beginning Fiscal Year Fund Balance will continue to fluctuate until the FY 2021-22 audit is finalized at the end of January 2023.

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 3.4



Chino Hills · Diamond Bar · Industry

Date: September 14, 2022
To: Chair and Board of Directors
From: Daniel Fox, Executive Director
Subject: Continued Use of Teleconferencing in Accordance with Assembly Bill 361 for Meetings of the Tres Hermanos Conservation Authority.

Recommendation:

Adopt Resolution No. THCA 2022-15 entitled: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY MAKING SPECIFIED FINDINGS RELATING TO THE USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE AUTHORITY SUBJECT TO STATE OPEN MEETING LAWS.

Background/Discussion:

Due to the continued impact of the COVID-19 pandemic, the California Legislature passed AB 361 (effective October 1, 2021), which authorizes a local agency to use teleconferencing without complying with certain teleconferencing requirements imposed by the Brown Act when: (1) the legislative body of a local agency holds a meeting during a declared state of emergency; (2) when state or local health officials have imposed or recommended measures to promote social distancing; and/or (3) when a local agency has determined that meeting in person would present imminent risks to the health or safety of attendees.

The Authority first utilized the provisions of AB 361 at its Special meeting on October 25, 2021. In order to continue to have the ability to use the modified teleconferencing options, AB 361 requires that the Authority re-affirm its findings every 30 days thereafter. Conditions under which AB 361 may be utilized continue to exist as described in the attached Resolution (Attachment 1).

The Authority is currently going beyond what the Brown Act requires by holding meetings in person and by way of teleconference and allowing the public to participate in both forums. The provisions of AB 361 allowing the modified teleconferencing will

expire January 1, 2024.

Fiscal Impact:

No fiscal impact.

Legal Review:

The Authority General Counsel has reviewed and approved the Resolution as to form.

Respectfully Submitted,

Reviewed By,

Kristina Santana

Kristina Santana, City Clerk

9/1/2022

Daniel Fox

Daniel Fox, City Manager

9/8/2022

Attachments:

1. Resolution No. THCA 2022-15 AB 361 Cont.

RESOLUTION NO. THCA 2022-15

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TRES HERMANOS CONSERVATION AUTHORITY MAKING SPECIFIED FINDINGS RELATING TO THE USE OF TELECONFERENCING IN ACCORDANCE WITH ASSEMBLY BILL 361 FOR MEETINGS OF THE AUTHORITY SUBJECT TO STATE OPEN MEETING LAWS.

WHEREAS, on March 4, 2020, California Governor Newsom declared a State of Emergency in response to the COVID-19 pandemic; and

WHEREAS, on March 12, 2020, to address the impacts of COVID-19, Governor Newsom issued Executive Orders that required, among other things, residents of California to follow orders and guidance of local public health officials, including social distancing and masking requirements; and

WHEREAS, existing California law, the Ralph M. Brown Act (“Brown Act”) requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public, that a physical location for such meetings be provided, and that the public be permitted to provide public comment during the meetings; and

WHEREAS, the Brown Act permits members of legislative bodies to teleconference into public meetings subject to certain conditions, including that the place from which the member teleconferences be open to the public, that an agenda be posted on the site, and that the teleconference location be noticed in the agenda; and

WHEREAS, in recognition that such public gatherings at such meetings could accelerate the spread of COVID-19, Governor Newsom’s Executive Orders suspended, among others, these Brown Act teleconferencing requirements to provide local agencies with greater flexibility to hold meetings via teleconferencing safely; and

WHEREAS, as of September 30, 2021, the Governor’s Executive Order suspending the Brown Act’s teleconferencing requirements expired; and

WHEREAS, on September 16, 2021, Governor Newsom signed Assembly Bill 361, which authorizes a local agency to continue to use teleconferencing without complying with certain teleconferencing requirements imposed by the Brown Act when: (1) the legislative body of a local agency holds a meeting during a declared state of emergency; (2) when state or local health officials have imposed or recommended measures to promote social distancing; and/or (3) when a local agency has determined that meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, both Los Angeles County and state health officials continue to recommend social distancing due to continued community spread of COVID-19 cases; and

WHEREAS, the Authority first utilized the provisions authorized by AB 361 at a Special meeting on October 25, 2021, and subsequently adopted Resolution Nos. THCA 2021-06, 2021-07, 2022-01, 2022-02, 2022-03, 2022-04, 2022-07, 2022-09, 2022-10, 2022-11, 2022-12, 2022-13 and 2022-14 re-affirming its continued use.

WHEREAS, the Authority must approve a Resolution reaffirming that the requirements set forth in Assembly Bill 361 exist every 30 days in order to allow members of its legislative bodies to utilize the provisions of Assembly Bill 361 when attending public meetings via teleconferencing; and

WHEREAS, notwithstanding that the Authority, as defined by the Brown Act, are now holding modified public meetings in person, there may be situations in which a Board of Director(s) decides not to attend in person due to a particular health or safety risk posed by such attendance and as such, it is the desire of the Authority to permit its Board of Directors to attend by way of teleconference pursuant to Assembly Bill 361.

NOW, THEREFORE, THE BOARD OF THE TRES HERMANOS CONSERVATION AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That the above recitals are true and correct. and based thereon, that the spread and potential further spread of COVID-19 poses an imminent risk to the public health and safety.

Section 2. That meetings of the Tres Hermanos Conservation Authority are held in the City of Diamond Bar, in the County of Los Angeles, in the State of California.

Section 3. That a state of emergency due to the COVID-19 pandemic continues to exist and at the time that this Resolution was adopted both Los Angeles County and State health officials are recommending social distancing to slow the spread of COVID-19.

Section 4. That meeting in person may pose an imminent risk to the health and safety of some attendees, including members of the Authority Board of Directors, who due to age, health conditions, or vaccination status, have a higher risk of contracting COVID-19 and are more likely to get severely ill and in some cases, die from COVID-19.

Section 5. That during the effective period of this Resolution and any reaffirmation thereof, Authority Board of Directors may participate in meetings subject to the Brown Act by way of teleconference in accordance with Assembly Bill 361.

Section 6. That meetings shall be held in accordance with AB 361 by, among other things, providing notice to the public how it can access the meeting and provide public comment, providing an opportunity for the public to attend via a call-in or an

internet-based service option, conducting the meeting in a manner which protects the statutory and constitutional rights of the public, and stopping the meeting until public access is restored in the event of a service disruption.

IT IS FURTHER RESOLVED that this Resolution is effective for 30 days from its adoption date. Subsequent appearances by teleconferencing of the Board of Directors must be affirmed/acknowledged every 30 days by the Tres Hermanos Conservation Authority in order for the provisions of Assembly Bill 361 to continue to apply.

PASSED, APPROVED AND ADOPTED this 14th day of September, 2022.

Cathy Marcucci, Chair
Tres Hermanos Conservation Authority

ATTEST:

I, Kristina Santana, Secretary of the Tres Hermanos Conservation Authority, do hereby certify that the foregoing Resolution was duly passed, approved and adopted by the Board of Directors of the Tres Hermanos Conservation Authority at a Regular meeting held on the 14th day of September, 2022, by the following vote:

AYES: DIRECTORS:

NOES: DIRECTORS:

ABSENT: DIRECTORS:

ABSTAIN: DIRECTORS:

Kristina Santana, Secretary
Tres Hermanos Conservation Authority

TRES HERMANOS CONSERVATION AUTHORITY

ITEM NO. 5.1



Chino Hills · Diamond Bar · Industry

Date: September 14, 2022
To: Chair and Board of Directors
From: Daniel Fox, Executive Director
Subject: Conflict of Interest Code Amendment Revisions

Recommendation:

That the Authority:

1. Review and approve the proposed revisions made by the Fair Political Practices Commission (FPPC) to the Conflict of Interest Code Amendment;
2. Direct the Filing Officer to submit approval to the FPPC for final review; and
3. Bring the Conflict of Interest Code back to the Authority for adoption subsequent to the FPPC's approval.

Background/Analysis:

Chapter 7, Article 3 of the Political Reform Act (Act) requires every agency to adopt and promulgate a Conflict of Interest Code and Section 87303 of the Act sets forth the process for approval of the Conflict of Interest Code by the Code Reviewing Body. Every agency shall amend its Conflict of Interest Code, subject to the provisions of Section 87303, when change is necessitated by changed circumstances, including the creation of new positions. The FPPC is the Code Reviewing Body for multi-county agencies.

The Code Revision packet was forwarded to the FPPC on April 8, 2021, for their initial review and was presented to the Authority on April 21, 2021, for additional review. There were no changes to the revision packet stemming from the April 21, 2021, meeting. On March 17, 2022, the FPPC authorized the start of the Public Comment Period which commenced on March 22, 2022, and closed on May 5, 2022. All affected filers were notified via email and no comments were received. The notice sent to all filers is attached as Attachment A.

On August 3, 2022, we were notified by the FPPC that, based on the information provided, all positions (except Legal Counsel and consultants) would be considered as "Public Officials Who Manage Public Investments" and must file under Government Code Section 87200 which requires disclosure of all investments and business positions in business entities, all income including gifts, loans and travel payment, and real property. As such, the FPPC revised the Conflict of Interest Code accordingly as outlined in Attachment B. The changes made did not change the disclosure level for any position and therefore, there is not a need to re-notice. Due to the significant reorganization of the Code, we are recommending another review by the Authority and direction for the Filing Officer to submit the approved revisions to the FPPC Assistant Chief Counsel for their final approval. Once the Code has been fully approved by the FPPC, it will be brought back to the Authority for adoption.

Fiscal Impact:

None.

Reviewed by Others:

This item has been reviewed by Legal Counsel.

Respectfully Submitted,

Reviewed By,

Tracy Egoscue

Tracy Egoscue, Assistant

9/8/2022

Daniel Fox

Daniel Fox, City Manager

9/8/2022

Cheryl Balz

Cheryl Balz, Filing Officer

9/8/2022

Attachments:

1. Notice of Intent
2. Conflict of Interest Code redline
3. Conflict of Interest Code final

NOTICE OF INTENTION TO AMEND THE CONFLICT OF INTEREST CODE
OF THE TRES HERMANOS CONSERVATION AUTHORITY

NOTICE IS HEREBY GIVEN that the TRES HERMANOS CONSERVATION AUTHORITY, pursuant to the authority vested in it by section 87306 of the Government Code, proposes an amendment to its conflict of interest code. A comment period has been established commencing on Monday, March 22, 2022, and closing on Thursday, May 5, 2022. All inquiries should be directed to the contact listed below.

The TRES HERMANOS CONSERVATION AUTHORITY proposes to amend its conflict of interest code to include employee positions that involve the making or participation in the making of decisions that may foreseeably have a material effect on any financial interest, as set forth in subdivision (a) of section 87302 of the Government Code. The amendment carries out the purposes of the law and no other alternative would do so and be less burdensome to affected persons.

Changes to the conflict of interest code include: 1) adding the positions of Administrative Director and Deputy Executive Director and assign them to the broadest Disclosure Category No. 1 as it has been determined that these positions are authorized to perform all functions of the Executive Director in their absence; 2) removing the position of Secretary as this position is solely ministerial, manual, or clerical and does not have decision-making authority; and 3) changing the Disclosure Category for the Treasurer and Auditor position to the broadest Category No. 1 as this position frequently makes or participates in decisions that may have a material effect on all of the entities in all of the required disclosure categories and also makes other technical changes.

Information on the code amendment is attached to this email.

Any interested person may submit written comments relating to the proposed amendment by submitting them no later than **April 4, 2022**, or at the conclusion of the public hearing, if requested, whichever comes later. At this time, no public hearing is scheduled. A person may request a hearing no later than **April 20, 2022**.

The **Tres Hermanos Conservation Authority** has determined that the proposed amendments:

1. Impose no mandate on local agencies or school districts.
2. Impose no costs or savings on any state agency.
3. Impose no costs on any local agency or school district that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.
4. Will not result in any nondiscretionary costs or savings to local agencies.
5. Will not result in any costs or savings in federal funding to the state.
6. Will not have any potential cost impact on private persons, businesses or small businesses.

All inquiries concerning this proposed amendment and any communication required by this notice should be directed to: **Cheryl Balz, Tres Hermanos Conservation Authority Filing Officer** at (909) 364-2624 or cbalz@chinohills.org.

**CONFLICT OF INTEREST CODE FOR THE
TRES HERMANOS CONSERVATION AUTHORITY**

The Political Reform Act, Government code Section 81000, et seq., requires state and local government agencies to adopt ~~a~~ and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Reg. Section 18730) that contains the terms of a standard conflict of interest code. It 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 Cal. Code of Regs. Section 18730 and any amendment 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 of the ~~of the~~ Tres Hermanos Conservation Authority (Authority).

Designated employees shall file statements of economic interests with the Authority who will make the statements available for public inspection and reproduction (Gov. Code Section 81008). Upon receipt of the statements of all designated positions, the Authority shall make and retain a copy and forward the original to the Fair Political Practices Commission.

DESIGNATED POSITIONS

<u>Designated Position Disclosure</u>	<u>Category</u>
Administrative Director	4
Alternate Board Director	4
Board Director	4
Deputy Executive Director	4
Executive Director	4
Treasurer and Auditor	4
General Counsel	1
Consultant/New Positions*	<u>*4</u>

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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 limitation:

The Executive Director may determine in writing that a particular consultant or 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 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 Sec. 81008).

Public Officials Who Manage Public Investments:

The following positions are not covered by the code because the positions manage public investments. Individuals holding such positions must file under Government Code Section 87200 and are listed for informational purposes only. Section 87200 requires disclosure of all investments and business positions in business entities, all income, including gifts, loans and travel payments, and real property.

- [Alternate Board Director](#)
- [Board Director](#)
- [Board Members](#)
- [Executive Director](#)
- [Deputy Executive Director](#)
- [Administrative Director](#)
- [Treasurer and Auditor](#)

Note: The Board Members and Alternates are elected officials from each member city. Member cities include the City of Industry, City of Chino Hills, and City of ~~Chino Hills~~ Diamond Bar. All other positions, except General Counsel and Consultants, are filled by employees of their respective member city and act in a staff capacity for Tres Hermanos Conservation Authority.

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CATEGORIES OF REPORTABLE ECONOMIC INTERESTS

Designated Persons in Category "1" Must Report:

~~All investments, interests in real property, income, and any business entity in which the person is a director, officer, partner, trustee, employee, or holds any position of management. These financial interests are reportable only if located within and subject to the jurisdiction of the Authority, or if the business entity is doing business or planning to do business in an area subject to the jurisdiction of the Authority or has done business within an area subject to the jurisdiction of the Authority at any time during the two years prior to the filing of the statement.~~

All investments, business positions in business entities and sources of income (including receipt of gifts, loans and travel payments). Real property located within the jurisdiction as well as real property within two miles of the real property used or the potential site.

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Designated Persons in Category "2" Must Report:

~~(a) — 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 Authority.~~

~~Investments in any business entity which within the last two years has contracted or in the future foreseeably may contract with the Authority.~~

~~(b) — Income from any source which within the last two years has contracted or in the future foreseeably may contract with the Authority.~~

~~(c) — His or her status as a director, officer, partner, trustee, employee, or holder of a position of management in any business entity which within the last two years has contracted or in the future foreseeably may contract with the Authority.~~

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CONFLICT OF INTEREST CODE FOR THE TRES HERMANOS CONSERVATION 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 Reg. Section 18730) that contains the terms of a standard conflict of interest code. It 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 Cal. Code of Regs. Section 18730 and any amendment 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 of the Tres Hermanos Conservation Authority (Authority).

Designated employees shall file statements of economic interests with the Authority who will make the statements available for public inspection and reproduction (Gov. Code Section 81008). Upon receipt of the statements of all designated positions, the Authority shall make and retain a copy and forward the original to the Fair Political Practices Commission.

DESIGNATED POSITIONS

<u>Designated Position Disclosure</u>	<u>Category</u>
General Counsel	1
Consultant/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 limitation:

The Executive Director may determine in writing that a particular consultant or 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 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 Sec. 81008).

Public Officials Who Manage Public Investments:

The following positions are not covered by the code because the positions manage public investments. Individuals holding such positions must file under Government Code Section 87200 and are listed for informational purposes only. Section 87200 requires disclosure of all investments and business positions in business entities, all income, including gifts, loans and travel payments, and real property.

Alternate Board Director
Board Director
Board Members
Executive Director
Deputy Executive Director
Administrative Director
Treasurer and Auditor

Note: The Board Members and Alternates are elected officials from each member city. Member cities include the City of Industry, City of Chino Hills, and City of Diamond Bar. All other positions, except General Counsel and Consultants, are filled by employees of their respective member city and act in a staff capacity for Tres Hermanos Conservation Authority.

CATEGORIES OF REPORTABLE ECONOMIC INTERESTS

Designated Persons in Category "1" Must Report:

All investments, business positions in business entities and sources of income (including receipt of gifts, loans and travel payments). Real property located within the jurisdiction as well as real property within two miles of the real property used or the potential site.

Designated Persons in Category "2" Must Report:

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 Authority.