

**AVILA BEACH COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2026-06**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
AVILA BEACH COMMUNITY SERVICES DISTRICT ADOPTING
A REVISED CONFLICT OF INTEREST CODE**

WHEREAS, pursuant to the Political Reform Act (California Government Code §§81000 et seq.) and the regulations thereunder, the AVILA BEACH COMMUNITY SERVICES DISTRICT (the "District") adopted its current Conflict of Interest Code on September 10, 2024 by passing Resolution No. 2024-10 (the "Existing Code"); and

WHEREAS, the Board of Directors of the District deems it to be in the District's best interests to adopt a new Conflict of Interest Code to update and supersede the District's Existing Code.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board of Directors of the District hereby adopts the attached Conflict of Interest Code as the Conflict of Interest Code for the District. The attached Conflict of Interest Code shall supersede and replace the Existing Code.
2. The Board Secretary of the District is hereby authorized and directed to submit a certified copy of the attached Conflict of Interest Code to the San Luis Obispo County Board of Supervisors for approval.
3. The Conflict of Interest Code shall take effect immediately following approval by the San Luis Obispo County Board of Supervisors.

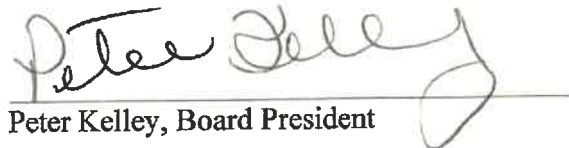
PASSED AND ADOPTED this 11th day of August, 2026, by the following vote of the Board of Directors of the Avila Beach Community Services District:

AYES: John Janowicz, Kristin Berry, Howie Kennett, Ara Najarian
Pete Kelley

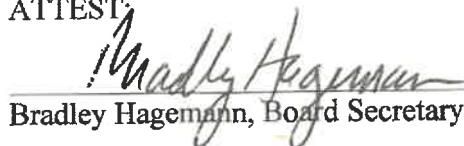
NOES: ☒

ABSENT: ☒

ABSTAIN: ☒


Peter Kelley, Board President

ATTEST:


Bradley Hagemann, Board Secretary

AVILA BEACH COMMUNITY SERVICES DISTRICT
CONFLICT OF INTEREST CODE
Adopted August 11, 2026

The Political Reform Act, Government Code sections 81000 et seq., requires state and local governmental agencies to promulgate and adopt 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. Section 18730 can be adopted by governmental agencies through incorporation by reference and may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

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. The Conflict of Interest Code of the Avila Beach Community Services District (the “District”) is hereby amended and is hereafter comprised of (i) the terms of 2 California Code of Regulations section 18730, together with any amendments to it duly adopted by the Fair Political Practices Commission, (ii) the attached Appendix A (Designated Employees), and (ii) the attached Appendix B (Disclosure Categories).

Designated Employees shall annually file statements of economic interests with the District. Upon receipt of these statements, the District shall make and retain a copy and forward the original of each statement to the Elections Division of the San Luis Obispo County Clerk Recorder.

Appendix A
AVILA BEACH COMMUNITY SERVICES DISTRICT
DESIGNATED EMPLOYEES

It has been determined that the persons occupying the designated positions (“Designated Employees”) listed below make or participate in the making of decisions which may foreseeably have a material effect on financial interests. Designated Employees must disclose financial interests in those categories described in *Appendix B*, which are listed opposite the respective Designated Employees.

<u>Designated Employees</u>	<u>Disclosure Categories</u>
General Manager	1-5
Engineer	1-5
Members of the Board of Directors	1-5
Board Secretary	1-5
General Counsel	1-5

Appendix B
AVILA BEACH COMMUNITY SERVICES DISTRICT
DISCLOSURE CATEGORIES

CATEGORY 1

Any real property in which the Designated Employee has a direct or indirect interest, but only if the real property is located in whole or in part within the jurisdiction of the Avila Beach Community Services District. Real property interests include any leasehold, beneficial or ownership interest or option to acquire such interest in real property, if the fair market value of the interest is \$2,000.00 or more.

CATEGORY 2

Business positions or direct or indirect investments in or income from persons or business entities engaged in the appraisal, acquisition, or disposal of real property within the jurisdiction of the Avila Beach Community Services District.

CATEGORY 3

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

a) The business entities or the source or sources of income are of the type which, within the previous two years, have provided or contracted to provide, or in the future with reasonable foreseeability might provide or contract to provide services, supplies, materials, machinery or equipment to or for the use of the Avila Beach Community Services District; and

b) Within the previous two years, the Designated Employee has made, participated in making, or in any way has attempted to use his or her official position to influence the

governmental decision to obtain or procure services, supplies, materials, machinery or equipment of the same or a similar type as those so provided or contracted to be provided to the Avila Beach Community Services District or if the duties of the Designated Employee's position make it reasonably foreseeable that he or she might engage in such activity.

CATEGORY 4

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

a) The business entities or the source or sources of income are of the type which, within the previous two years, have furnished or contracted to furnish, or in the future with reasonable foreseeability might furnish or contract to furnish services, supplies, materials, machinery or equipment as a subcontractor in any contract with the Avila Beach Community Services District; and

b) Within the previous two years, the Designated Employee has made, participated in making, or in any way has attempted to use his or her official position to influence the governmental decision to obtain or procure services, supplies, material, machinery or equipment of the same or a similar type as those so provided or contracted to be provided to the Avila Beach Community Services District or if the duties of the Designated Employee's position make it reasonably foreseeable that he or she might engage in such activity.

CATEGORY 5

Business positions or direct or indirect investments in business entities and income from any source or sources of income, if:

a) The business entities or the source or sources of income are of the type which are subject to the regulation or supervision of the Avila Beach Community Services District; and

b) The Designated Employee's duties involve the supervision or regulation (including, but not limited to, the issuance of permits) of that type of business entity or source of income.

* * * * *

For purposes of the foregoing Disclosure Categories 1 through 5:

a) "Indirect investment" or "indirect interest" includes any investment or interest with a fair market value of \$2,000.00 or more that is owned by the spouse or dependent child of a Designated Employee, by an agent on behalf of a Designated Employee, or by a business entity or trust in which the Designated Employee, the Designated Employee's agents, spouse, and dependent children own directly, indirectly, or beneficially a ten percent (10%) interest or greater.

b) "Sources of income" shall include gifts, but shall exclude loans from commercial lending institutions made in the regular course of business on terms which are available to the public without regard to official status.