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March 30, 1984

Al Haynes Watershed and Planning Analyst San Lorenzo Valley Water District 13060 Central Avenue P.O. Box H Boulder Creek, CA 95006

> Re: Your Request for Advice Our File No. A-84-068

Dear Mr. Haynes:

You requested advice from this office concerning your obligations as a public official under the conflict of interest provisions of the Political Reform Act. 1

You are a Watershed and Planning Analyst for the San Lorenzo Valley Water District ("District"), and, as such, you report and make recommendations to the Board of Directors for the District.

The District is in the process of implementing a wastewater management program which includes the installation and operation of a collection system and sewage treatment facilities for selected areas within the District. In addition, the District is implementing a similar program in selected areas outside the District.

The selected areas have been divided into three classifications based on the severity of the problem and the required solutions:

Class I: Parcels in areas with severe problems for which no on-site solution exists. It is proposed that these parcels will require the installation of collection systems and sewage treatment facilities.

Government Code Sections 81000-91014. All statutory references are to the Government Code.

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Class II: Parcels in areas with severe problems, but for which on-site systems can be upgraded to be functional.

Class III: Parcels in areas where problems are not so severe.

You own real property within the District in a Class I area, which you use for your principal residence. You state that District decisions concerning the Class I areas will have a significant financial effect on the value of your property. You ask whether you may participate in these decisions.

Government Code Section 87100 provides that no local public official shall make, participate in the making, or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest.

An official has a financial interest in a decision within the meaning of Section 87100 if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on:

* * *

- (b) Any real property in which the public official has a direct or indirect interest worth more than one thousand dollars (\$1,000).
- (c) Any source of income, 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 two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the public official within 12 months prior to the time when the decision is made.

* * *

(Section 87103.)

Since you have an interest in real property which will be materially affected by the District decisions on the plan, the sole issue is whether the effects on you are distinguishable

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from the effects on the public generally or a significant segment thereof.

Janis McLean of our office recently advised Mr. Frederick W. Nitz, President of the District's Board of Directors, concerning this situation. (Advice Letter A-83-284.) Like you, his residence is located in a Class I area, and the value of the property will be affected by District decisions on the waste water plan. We advised him that, even though District decisions implementing the plan in the Class I areas will have a material financial effect on his property and his income, all of the parcels in the Class I areas will be similarly affected. Accordingly, since the number of parcels constitutes a "significant segment" of the total parcels, 2/ Mr. Nitz can make, and participate in the making of, District decisions on the waste water plan.

Our analysis and advice in your situation is the same. Your parcel of real property will be affected in substantially the same manner as a "significant segment" of the total parcels. You may thus participate in the making of District decisions on the waste water plan.

If I can be of further assistance, please feel free to contact me at (916) 322-5901.

Sincerely,

Diane Maura Fishburn

Staff Counsel Legal Division

DMF:plh

²/ All of the relevant statistics used to make this determination are cited in our letter to Mr. Nitz.