

Draft Ordinance amending the City's Code of Ethics

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:

SECTION 1. That City Code of Ordinances, Chapter 2, Article V, regarding the Code of Ethics, Division 1, Rules of Conduct, is revised. The deleted text is shown in redlined form, with the new text shown in underlined text.

DIVISION 1. - RULES OF CONDUCT

Sec. 2-310. - Preamble.

The purpose of this code of ethics is to promote public trust by establishing rules of conduct for city council members, board members, and employees; by providing a fair process for receiving and adjudicating complaints; and by requiring periodic financial disclosure. The rules of conduct form the basis for possible sanctions, and are therefore intended to clearly define proper conduct so that those who must comply may understand the rules and carry out their responsibilities consistently with the rules. It is recognized that situations with ethical implications will arise outside the prohibitions of the rules; in such situations, council members, board members, and employees are encouraged to keep in mind the ideal of the public trust and to conduct themselves in a manner to avoid the appearance of impropriety even where not compelled by the rules.

If a council member believes that he/she should abstain from voting on an item to avoid the appearance of impropriety, as encouraged by this code of ethics Ordinance, or who in discussing or voting on an issue is unable to take an unbiased position, that council member shall be disqualified from discussions about and subsequent voting for that item under this city ordinance.

The city recognizes that city council members are also members of the society and, therefore, cannot and should not be without any personal and economic interest in the decisions and policies of government; that city council members retain their rights as citizens to interests of a personal or economic nature and their rights to publicly express their views on matters of general public interest. It is not the intent of this ordinance to diminish the rights of city council members as citizens of the community.

However, city council members may not use their positions in dealing with the city manager or city employees to advance their personal economic interest, their families' economic interest, or the entities in which they have a substantial interest.

(Ord. No. 23772, § 1, 9-21-1999; Ord. No. 028170, § 1, 5-12-2009; Ord. No. 028271, § 2, 8-18-2009; Ord. No. 029428, § 1, 3-27-2012)

Sec. 2-311. - Standards.

The following rules of conduct apply to all council members, board members, and employees:
Special privileges.

- (1) You shall not use your office for private advancement or gain or to secure special privileges or exemptions for yourself or others.
- (2) You shall not grant any special consideration, treatment or advantage to any person or group beyond that which is available to others generally.
- (3) (a) You shall not use city facilities, personnel, equipment or supplies for purposes unrelated to the interests of the city, except to the extent such are lawfully available to the public. Notwithstanding the foregoing sentence, Corpus Christi police officers, airport public safety officers and municipal court marshals may wear their city-issued uniforms, badges, and other uniform attire, may use their city-issued radios, and may carry their city-issued weapons, on approved off-duty law enforcement employment; and Corpus Christi fire fighters may wear their city-issued uniforms, badges, and other uniform attire, and use their city-issued radios on approved off-duty fire watch employment.
- (b) You may not spend or authorize the spending of public funds for political advertising. This prohibition does not apply to a communication that factually describes the purposes of a measure if the communication does not advocate passage or defeat of the measure. This paragraph shall be construed consistently with Texas Election Code Section 255.003.

~~(4) Unless you are a council member, you shall not use the prestige of your position with the city on behalf of any political party or cause.~~

~~(5)~~(4) You shall maintain appropriate relationships with other officials, employees, customers, defendants, and individuals receiving services from you or your organizational unit, and shall not use your position to engage in any inappropriate personal relationships.

Gifts:

~~(6)~~(5) You shall not accept or solicit any money, property, service or other thing of value by way of gift, favor, loan or otherwise that might reasonably tend to influence you in the discharge of your official duties or which you know or should have known was offered with the intent to influence or reward your official conduct.

~~(7)~~(6) (a) Special applications. Subsection 2-311(~~65~~) does not include:

- (1) A gift to a city official or employee relating to a special occasion, such as a wedding, anniversary, graduation, birth, illness, death, or holiday, provided that the value of the gift is fairly commensurate with the occasion and the relationship between the donor and recipient;
- (2) Advancement for or reimbursement of reasonable expenses for travel in connection with official duties provided by third parties must be disclosed in the travel report; payment for or reimbursement of expenses for travel in excess of authorized rates under city policy will be treated as a personal gift to the official or employee for any applicable reporting requirement;
- (3) A public award or reward for meritorious service or professional achievement, provided that the award or reward is reasonable in light of the occasion and it is not prohibited under Texas Penal Code Section 36.08 (Gift to Public Servant by Person Subject to His Jurisdiction);
- (4) A loan from a lending institution made in its regular course of business on the same terms generally available to the public;

- (5) A scholarship or fellowship awarded on the same terms and based on the same criteria that are applied to other applicants;
 - (6) Any solicitation for civic or charitable causes;
 - (7) Admission to an event in which the city official or employee is participating in connection with his or her spouse's position;
 - (8) Ceremonial and protocol gifts presented to city officials from a foreign government or international or multinational organization and accepted for the City of Corpus Christi;
 - (9) Admission to a widely attended event, such as a convention, conference, symposium, forum, panel discussion, dinner, viewing, reception or similar event, offered by the sponsor of the event, and unsolicited by the city official or employee, if attending or participating in an official capacity, including:
 - (A) the official or employee participates in the event as a speaker or panel participant by presenting information related to matters before the city; or
 - (B) the official or employee performs a ceremonial function appropriate to that individual's position with the city; or
 - (C) attendance at the event is appropriate to the performance of the official duties or representative function of the official or employee;
 - (10) Admission to a charity event provided by the sponsor of the event, where the offer is unsolicited by the city official or employee;
 - (11) Admission to training or education program or other program, including meals and refreshments furnished to all attendees, if such training is related to the official or employee's official duties and the training is in the interest of the city.
- (7) In the event you receive any gift or loan of property or services on behalf of the city, you shall promptly deliver such gift or loan to the city manager for official acceptance and inventory of the city.

Conflicts of interest:

- ~~(8) (A) If a contract or business transaction involving the city, in which you or one of your relatives have a conflict of interest or potential conflict of interest comes before you in the performance of your official duties, you shall take the following actions:~~
 - ~~(i) Immediately make a written disclosure of your interest in the matter to the city secretary and city manager.~~
 - ~~(ii) Abstain from any vote or decision.~~
 - ~~(iii) Not participate in any discussion on the matter with members of the council, the city manager, or city employees.~~
- ~~(B) You may not use your position to influence the action of a city official or employee in the performance of their duties related to a contract or business transaction in which you or one of your relatives have a conflict of interest or potential conflict of interest.~~

(8) (A) General rule. To avoid the appearance and risk of impropriety, a City official or employee shall not take any action or fail to take any action related to their position that is likely to affect the economic interests of:

1. The official or employee;
2. His or her parent, child, spouse, or other family member within the second degree of consanguinity or affinity;
3. His or her outside client;
4. A member of his or her household;
5. The outside employer of the official or employee or of his or her parent, child (unless the child is a minor), spouse, or member of the household (unless member of household is a minor);
6. An entity in which the official or employee knows that any of the persons listed in Subsections (8)(Aa)1(1) or (8)(Aa)2(2) holds an economic interest as that term is defined herein;
7. An entity which the official or employee knows is an affiliated or partner of an entity in which any of the persons listed in Subsections (8)(Aa)1(1) or (8)(Aa)2(2) holds an economic interest as defined herein
8. An entity for which the City official or employee serves as an officer or director or in any other policy making position; or
- ~~9. A non-profit board to which the official or employee is appointed by the City Council or City management to represent the best interests of the City, if the action by the City official or employee as a member of the board is related to an item pertaining to the City, and the City official or employee would be involved in the negotiation, development or implementation of that item on behalf of the City; or~~
10. A person or entity with whom, within the past twelve (12) months:
 - a. The official or employee, or his or her spouse, directly or indirectly has:
 - 1) Solicited an offer of employment for which the application is still pending;
 - 2) Received an offer of employment which has not been rejected; or

3) Accepted an offer of employment; or

b. The official or employee, or his or her spouse, directly or indirectly engaged in negotiations pertaining to business opportunities, where such negotiations are pending or not terminated.

(B) No city employee, city official, appointed or elected, family member, friend, or business associate of a city employee or city official appointed or elected should profit from privileged information discussed in confidential city meetings. Any council member already involved in any city projects should immediately recuse themselves from any Executive Session meetings as well as City Council votes where such matters are being discussed.

(C) *Recusal and disclosure.* A City official or employee whose conduct would otherwise violate Subsection (8)(A) or (8) (B) must recuse himself or herself. From the time that the conflict is, or should have been recognized, he or she shall:

(1) Immediately refrain from further participation in the matter, including discussions with any persons likely to consider the matter; and

(2) Promptly file with the City Secretary the appropriate form for disclosing the nature and extent of the prohibited conduct.

In addition:

(3) A supervised employee shall promptly bring the conflict to the attention of his or her supervisor who will then, if necessary, reassign responsibility for handling the matter to another person; and

(4) A member of a board shall promptly disclose the conflict to other members of the board and shall not be present during the board's discussion of, or voting on, the matter.

(D) *Definitions.* For purposes of this rule in subsection (8):

(1) An action is likely to affect an economic interest if it is likely to have an effect on that interest that is distinguishable from its effect on members of the public in general or a substantial segment thereof.

~~(2) The term "client" includes business relationships of a highly personalized nature, but not ordinary business-customer relationships.~~

(2) The term "client" includes fiduciary relationship but not an ordinary customer relationship.

(3) A relationship by "affinity" (by marriage) is defined in Government Code Sections 573.024 and 573.025.

(4) A relationship by “consanguinity” is defined in Government Code Sections 573.022 and 573.023.

(5) For purposes of this subsection (8), the term “official” includes the following persons: The Mayor; Members of the City Council; Municipal Court Judges and Magistrates; City Manager; Deputy City Manager; Assistant City Managers; Assistants to the City Manager; City Secretary; Deputy City Secretary; Assistant to the City Secretary; Municipal Court Clerk, Deputy Court Clerks; All department heads and assistant department heads; Internal Auditor and all Assistant Internal Auditors; Assistant to Mayor; Executive secretaries; and Members of all boards, commissions (except the Youth Commission whose members are minors), committees, and other bodies created by the City Council pursuant to federal or state law or City ordinance, including entities that may be advisory only in nature, who are appointed by the Mayor, the City Council, or who are designated in the by-laws or organization papers of the entity to serve on behalf of the City; and board members of any entity who are appointed by the Mayor or City Council to such board membership. ~~This list is updated annually by the Human Resources Department. All updates are incorporated into this Code without further action by the City Council. The Human Resources staff shall provide the list annually to the City Council and City Secretary. The City Secretary shall promptly post it on the City's ethics webpage. This list is updated and posted to the City website annually by the City Manager.~~

(EF) Elected city officials may not use their position to influence the action of a city official or city employee in the performance of their duties related to a contract or business transaction involving an individual or organization who contributed \$2,700 or more to the official's campaign contributions during the most recent election either directly, or indirectly, via a third party.

~~(F)~~ (FG) If you were initially not aware that you or a relative has a conflict or potential conflict of interest, you must comply with ~~(7)(A)~~ (8) ~~(B)~~ (C) as soon as you become aware that you have or should have been aware that you have the conflict or potential conflict of interest.

~~(D)~~ (HG) However, you may apply for city services or discuss your personal interest with a city representative on behalf of your own interest if you notify the city secretary and city manager in writing that you have a personal interest in a matter that requires action by the city, and that you are acting strictly in your private capacity, and not as a member of the city council or board or as a city employee and you advise any member of the city council, city board or commission, or any city employee you are dealing with that you are appearing only in your private capacity.

- (9) You shall not engage in any outside activities or employment which will conflict or be incompatible with the full and proper discharge of your official duties, impair your independent judgment in the performance of your duties, or reflect discredit upon the city.
- (10) You shall not represent any other private person, or group or interest in any action or proceeding against or adverse to the interest of the city or in any litigation in which the city is a party.
- (11) You shall not represent any other private person or group in any action or proceeding in the municipal courts of the city which was instituted by city officers or employees in the course of their official duties.
- (12) You shall not receive any fee or compensation for your official services from any source other than the city except as may be provided by law or authorized by the city council.

Actions adverse to the city:

- (13) You shall not disclose information that could adversely affect the property or affairs of the city, except as required by law.
- (14) You shall not knowingly perform or refuse to perform any act in order to deliberately thwart the execution of federal, state or local laws or regulations or the achievement of any official city programs.
- (15) You shall not engage in any felony crime, misdemeanor involving moral turpitude, or other conduct that reflects discredit on the city.

Confidential Information

(1516) *Improper access.* A City official or employee shall not use his or her position to obtain official information about any person or entity for any purpose other than the performance of official duties.

(1617) *Improper disclosure or use.* A City official or employee or former City official or employee shall not intentionally, knowingly, or recklessly disclose any confidential government information gained by reason of said official's or employee's position concerning the property, operations, policies or affairs of the City. This rule does not prohibit:

- (1) Any disclosure that is no longer confidential by law; or
- (2) The confidential reporting of illegal or unethical conduct to authorities designated by law.

For purposes of this subsection (1617), "confidential government information" includes all information held by the City that is not available to the public under the Texas Public Information Act and any information from a meeting closed to the public pursuant to the Texas Open Meetings Act, unless disclosure is permitted under the Open Meetings Act.

Provisions for council members:

- ~~(16)~~(18) As a city council member, individually, you shall not have a substantial interest in any contract with the City of Corpus Christi.
- ~~(17)~~(19) In order to preserve and promote independent advice and decisions from city boards and the integrity of the independent board process as a council member, you shall not speak before any city board, commission or committee except on behalf of your own financial interest; in which case, you shall publicly state the nature of your financial interest and that you are appearing only in your private capacity.
- ~~(18)~~(20) As a council member, you shall not give any orders to any employee except through the city manager as provided by the City Charter.
- ~~(19)~~(21) As a council member, you shall not participate in the process for the appointment of or the confirmation of the appointment of a member to a board, commission or committee of the city, or to the governing body of an independent entity all or part of whose members are appointed by the city council, after you are aware that an individual seeking, being promoted for, or being considered for the position:
 - ~~(1)~~(A) Is related to you within a degree described by Section 573.002, Texas Government Code;
 - ~~(2)~~(B) Is your employer;
 - ~~(3)~~(C) Is a director or officer of a business entity (as defined in Section 171.001, Texas Local Government Code) which is your employer; ~~or~~
 - ~~(4)~~(D) Owns ten (10) per cent or more of the voting stock or shares of a business entity which is your employer; or
 - ~~(5)~~(E) Contributed \$2,700 or more to your total campaign contributions during the previous election.

Provisions for board members:

- ~~(20)~~(22) As a board member, you shall not have a substantial interest in any contract with the city in which your board or commission, or the city department related thereto, has jurisdiction.
- ~~(21)~~(23) As a board member, you shall not represent or appear on behalf of the private interest of others before your board, commission or committee, the city council, or any board which has appellate jurisdiction over your board, commission or committee, concerning a matter which is within the subject matter jurisdiction of your board. (This

rule does not prohibit you from appearing on behalf of your own financial interest even though others may have the same or a similar interest.)

Provisions for employees:

~~(22)~~(24) As an employee you shall not have an interest in any contract with the city. This prohibition does not include any employment contract which may be authorized for the employee, a contract of sale for real property or a contract for services which are available for all citizens.

~~(23)~~(25) Unless previously recommended by the city manager, and approved by the ethics commission, as an employee, you shall not, within twelve (12) months after leaving city employment, represent any other person or organization in any formal or informal appearance with the city council or any other agency or employee of the city concerning a project for which you had responsibility as an employee.

~~(24)~~(26) As an employee, you shall not represent or appear on behalf of the private interest of others before the city council or any board, commission or committee of the city. (This rule does not prohibit you from appearing on behalf of your own financial interest even though others may have the same or a similar interest).

~~(25)~~(27) As an employee, you may not be employed by any business or individual who has business dealings with or for your department, including any work that is subject to review or inspection by your department, even if you do not personally review or inspect the work of the business or individual.

~~(26)~~(28) As an employee, you may not violate the confidentiality or privacy of an individual, including a juvenile and adult defendants or detainees or juvenile clients being counseled through a city program, unless it is to seek emergency assistance or consultation services from within the city's program or school campus; the individual has threatened to harm themselves or others; or to provide details of any criminal activity or enterprise.

(Ord. No. 20781, § 1, 9-19-1989; Ord. No. 20913, § 1, 5-1-1990; Ord. No. 23772, § 2, 9-21-1999; Ord. No. 24613, § 1, 10-9-2001; Ord. No. 025769, § 1, 5-25-2004; Ord. No. 027642, § 1, 4-8-2008; Ord. No. 028170, § 1, 5-12-2009; Ord. No. 028271, § 2, 8-18-2009; Ord. No. 029428, § 1, 3-27-2012; Ord. No. 029467, § 1, 5-8-2012)

Sec. 2-312. - Definitions.

The following definitions apply to the above rules of conduct:

Board member: A member of any board, commission or committee of the city, including the board of any corporation created by the city.

Conflict of interest: Any interest, reasonable expectation of an economic benefit, substantial interest, or anticipated substantial interest in a matter or business transaction involving the city that could influence an individual's ability to make an impartial decision.

Economic benefit: An action that is likely to affect an economic interest if it is likely to have an effect on that interest that is distinguishable from its effect on members of the public in general or a substantial segment thereof.

Employee: Any person employed by the city, whether under civil service or not, including part-time employees and employees of any corporation created by the city.

Interest: Any direct or indirect pecuniary or material benefit in a contract or transaction other than:

- (1) An interest which is shared by and available to all other persons similarly situated; or
- (2) A remote or incidental interest which would not increase or decrease materially due to the action of the city or is less than two hundred dollars (\$200.00) in value; or
- (3) An interest of a subcontractor which has no direct contractual relationship with the city, is receiving fair and reasonable compensation, and is not operating as a subterfuge to circumvent the code of ethics; or
- (4) An interest in real property acquired by the city which could otherwise be accomplished only through eminent domain provided that the property must be acquired for a public purpose and just compensation must be paid under the Texas Constitution after obtaining an independent appraisal.

Relative: Spouse, father, mother, brother, sister, son, daughter, spouse's children, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law and adoptive relationships being treated the same as natural relationships.

Substantial interest: Any interest in a business entity if the person or relative owns ten (10) per cent or more of voting stock or shares of the business entity or owns ten (10) per cent or more or five thousand dollars (\$5,000.00) or more of the fair market value of the business entity or funds received from the business entity exceeds ten (10) per cent or more of the person's gross income for the previous year. A person has a substantial interest in real property if he or his relative controls or has an equitable or legal ownership interest with a fair market value of two thousand five hundred dollars (\$2,500.00) or more.

(Ord. No. 20781, § 1, 9-19-1989; Ord. No. 028170, § 2, 5-12-2009; Ord. No. 028271, § 3, 8-18-2009; Ord. No. 029428, § 1, 3-27-2012)

Sec. 2-313. - Effect of violation.

A violation of these rules of conduct shall subject the council member, board member or employee to appropriate disciplinary proceedings, but such violation shall not render the action of the city voidable by the city unless the action would not have been approved without the vote of the person who violated the rules of conduct.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-314. - Exceptions to abstention requirement.

The requirement that a council member or board member abstain from voting on a matter or participating in discussion as contained in rule 7 of the rules of conduct shall not apply in the following situations, provided that such person has complied with the requirements of written disclosure of the interest:

- (a) In the event a majority of the members of the council or the board, commission or committee have filed a written disclosure of a conflict of interest on the matter and would be required to abstain; or
- (b) On the final approval of the budget when the person has abstained from a separate vote taken on the particular budget item pertaining to the conflict of interest and action or that particular item has been resolved.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-315. - Freedom of expression.

Nothing contained in the code of ethics shall abridge the right of any citizen, whether or not a council member, board member or employee, to exercise his or her right of expression under the U.S. or Texas Constitutions.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-316. - Lobbyist registration.

Subsection A. Persons required to
register as lobbyists.

- (a) A person who engages in lobbying must register with the city secretary if, with respect to any client, the person engages in lobbying activities for compensation. City officials shall not engage in discussions with any lobbyists who terminated City service within two years of such discussions.
- (b) The following persons are not required to register under subsection (a):
 - (1) Media outlets. A person who owns, publishes or is employed by:
 - (A) a newspaper;
 - (B) any other regularly published periodical;
 - (C) a radio station;
 - (D) a television station;
 - (E) a wire service; or
 - (F) any other bona fide news medium that in the ordinary course of business disseminates news, opinions, or paid advertisements that directly or indirectly oppose or promote municipal questions to seek to influence official action relating thereto, if the person does not engage in other activities that require registration under Part E. This subsection does not exempt the news media or a person whose relation to the news media is only incidental to a lobbying effort or if a position taken or advocated by a media outlet directly impacts, affects, or seeks to influence a municipal question in which the media outlet has a direct or indirect economic interest.
 - (2) Mobilizing entity constituents. A person whose only lobbying activity is to encourage or solicit the members, employees, or owners (including shareholders) of an entity by whom the person is compensated to communicate directly with one or more city officials to influence municipal questions. This exception is intended to apply to neighborhood and other similar not-for-profit organizations.

- (3) Governmental entities. Governmental entities and their officers and employees, provided the communications relate solely to subjects of governmental interest concerning the respective governmental bodies and the city.
- (4) Unknown municipal questions. A person who does not know and has no reason to know that a municipal question is pending at the time of contact with a city official.
- (5) Dispute resolution. An attorney or other person whose contact with a city official is made solely as part of resolving a dispute with the city, provided that the contact is solely with city officials who do not vote on or have final authority over any municipal question involved and so long as such an attorney complies with Rule 4.02 of the Texas Disciplinary Rules of Professional Conduct, as amended.

Subsection B. Definitions.

The following words and phrases have the meaning ascribed to them in this section unless the context requires otherwise:

- (a) City official means the members of the city council, city manager, deputy and assistant city managers, city secretary, city attorney, assistant city attorneys, department heads, municipal court judges, and all members of any board, commission or committee of the city, including the board of any corporation created by the city.
- (b) Client means any person on whose behalf lobbying is conducted. In the case of a coalition or association that employs or retains other persons to conduct lobbying activities, the client is the coalition or association and not its individual members.
- (c) Compensation means money, service, facility or other thing of value or financial benefit that is received or is to be received in return for or in connection with services rendered or to be rendered. Compensation does not include a payment made to any individual regularly employed by a person if (1) the payment ordinarily would be made regardless of whether the individual engaged in lobbying activities and (2) lobbying activities are not part of the individual's regular responsibilities to the person making the payment. Compensation does not include the financial gain that a person may realize as a result of the determination of a municipal question, unless that gain is in the form of a contingent fee.
- (d) Lobby or lobbying means any oral or written communication (including an electronic communication) to a city official, made directly or indirectly by any person in an effort to influence or persuade an official to favor or oppose, recommend or not recommend, vote for or against, or take or refrain from taking action on any municipal question. The term lobby or lobbying does not include a communication:
 - (1) merely requesting information or inquiring about the facts or status of any municipal question, matter, or procedure, and not attempting to influence a city official;
 - (2) made by a public official or employee acting in his or her official capacity;
 - (3) made by a representative of a media organization if the purpose of the communication is gathering and disseminating news and information to the public;
 - (4) made in a speech, article, publication, or other material that is distributed and made available to the public, or through radio, television, cable television, or any other medium of mass communication;
 - (5) made at a meeting open to the public under the Open Meetings Act;

- (6) made in the form of a written comment filed in the course of a public proceeding or any other communication that is made on the record in a public proceeding;
 - (7) made in writing as a petition for official action and required to be a public record pursuant to established city procedures;
 - (8) made in writing to provide information in response to an oral or written request by a city official for specific information;
 - (9) the content of which is compelled by law;
 - (10) made in response to a public notice soliciting communications from the public and directed to the official specifically designated in the notice to receive such communications;
 - (11) made on behalf of an individual with regard to that individual's employment or benefits;
 - (12) made by a fact witness or expert witness at an official proceeding; or
 - (13) made by a person solely on behalf of that individual, his or her spouse, or his or her minor children.
- (e) Municipal question means a public policy issue of a discretionary nature pending or impending before city council or any board or commission, including but not limited to proposed action, or proposals for action, in the form of ordinances, resolutions, motions, recommendations, reports, regulations, policies, nominations, appointments, sanctions, and bids, including the adoption of specifications, awards, grants, or contracts. The term municipal question does not include the day-to-day application, administration, or execution of city programs and policies.

Subsection C. Registration.

- (a) A registration form shall be completed and filed by a person required to register prior to the commencement of lobbying activity for a client.
- (b) A separate registration form must be filed for each client.
- (c) The registration shall be on a form prescribed by the city secretary and shall include, to the extent applicable:
 - (1) the full name, phone number, permanent address, and nature of the business of:
 - (A) the registrant;
 - (B) the client;
 - (C) any lobbying firm for which the registrant is an agent or employee with respect to the client; and
 - (D) each employee or agent of the registrant who has acted or whom the registrant expects to act as a lobbyist on behalf of the client;
 - (2) a statement of all municipal questions on which the registrant will lobby for the client.
- (d) A registrant shall file an amended registration if the information contained in the current registration changes or is incorrect.
- (e) A registrant may file a termination of registration when no longer required to register.

Subsection D. A person may not register as a lobbyist with the City for a period of two years from end of City service.

(Ord. No. 23772, § 3, 9-21-1999)

Secs. 2-317—2-319. - Reserved.

SECTION 2. That City Code of Ordinances, Chapter 2, Article V, regarding the Code of Ethics, Division 2, Ethics Commission, Section 2-326, Duties, is amended to clarify the Commission's duties with financial disclosure reports. The deleted text is shown in redlined form, with the new text shown in underlined text as follows:

DIVISION 2. - ETHICS COMMISSION

Sec. 2-320. - Establishment.

An ethics commission is created and shall consist of nine (9) members. The city council shall solicit nominations for the ethics commission from a wide variety of professional and community organizations in the city. Interested individuals may also submit their names for consideration. Members of the commission may not hold or be a candidate for any city elected or appointed office. The city council shall appoint the members of the ethics commission by a two-thirds (2/3) vote of the full council.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-321. - Terms.

Members shall hold office for three-year terms commencing October 1. In order to establish staggered terms, however, the initial terms of three (3) members shall be one year, and the initial terms of another three (3) members shall be two (2) years. The persons serving such shorter terms shall be determined by lot. No holding over is permitted except as expressly provided in this code of ethics.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-322. - Removal.

In addition to the council's usual powers of removal, members of the commission may be removed by a majority of the council for cause. In considering a complaint filed with the city secretary or on its own initiative, the council may follow the procedures hereinafter set forth regarding the disposition of such alleged violations.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-323. - Vacancies.

All vacancies shall be filled for the unexpired terms. A member shall hold office until his successor has been appointed, and shall continue to hold office after his successor has been appointed for the limited purpose of disposition of all complaints filed and for which presentation of evidence was commenced during that member's term.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-324. - Chairperson; quorum.

The commission shall elect a chairperson and a vice-chairperson. The vice-chairperson shall act as chairperson in the absence of the chairperson or in the event of a vacancy in that position. The officers of the commission shall serve one-year terms. A majority of the members of the commission shall constitute a quorum.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-325. - Meetings.

The commission shall have such meetings as may be necessary to fulfill its responsibilities. The chairperson or any three (3) members may call a meeting provided that reasonable notice is given to each member.

The commission shall meet at least once a year. The date of the annual meeting shall be in September as set by the commission.

The commission shall comply with the Texas Open Meetings Act.

(Ord. No. 20781, § 1, 9-19-1989; Ord. No. 23460, § 1, 10-13-1998; Ord. No. 24614, § 1, 10-9-2001)

“Sec. 2-326. - Duties.

(a) The commission shall, in addition to its other duties:

- (1) Review all proposed changes to this ordinance and make recommendations to city council before being placed on a city council agenda for action.
- (2) Prepare and publish pamphlets and other materials explaining the duties of individuals subject to the code of ethics. Such materials shall include instructions to the public about how to obtain information such as financial disclosures, campaign reports, and the like from the city.
- (3) Review all statements and financial disclosure reports which are filed with the city pursuant to this Article. If the commission identifies a possible conflict of interest or needs further disclosure from its review of the financial disclosure report, the Commission shall notify the filing official to request additional information regarding the possible conflict of interest.
- (4) Annually review the code of ethics and make appropriate recommendations to the city council after conducting a public hearing on any such recommendations.
- (5) Review all public opinions related to the code of ethics that are issued by the city attorney.
- (6) Prepare and disseminate a report listing all campaign contributions and expenditures for each candidate within thirty (30) days following the deadline for filing the last campaign finance reports for each city council election. For the purposes of this provision, a general election and run-off election shall be considered as a single city council election.

(b) The commission may:

- (1) Adopt rules of procedure for the conduct of its business and to carry out the provisions of the code of ethics, consistent with the code of ethics and other applicable law.
- (2) Prepare reports and studies to advance the purposes of the code of ethics.
- (3) Request the city council and city manager to provide such assistance as it may require in the discharge of his duties.

(Ord. No. 20781, § 1, 9-19-1989; Ord. No. 028271, § 4, 8-18-2009)

Sec. 2-327. - Staffing.

The commission shall be assigned staff by the city attorney to assist in its duties. The commission shall also designate independent legal counsel, and when complaints are filed, such independent legal counsel may be utilized to advise the commission and participate in hearings.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-328. - Legal opinions and services.

- (a) Any council member, employee or board member may submit a written request to the city manager for an opinion concerning the meaning or effect of any section, word or requirement of the code of ethics as it affects such official, employee or board member. The city manager shall submit such request to the city attorney, who will promptly issue a written opinion to the city manager. Such opinion shall be filed with the city secretary with a copy to the requesting person shall constitute an authoritative determination of the meaning of this article, until amended by the council.
- (b) If a complaint is filed with the ethics commission about any specific action, omission or alleged conflict of interest by the charged person which has been the subject, in whole or in part, of a city attorney's opinion, the independent legal counsel shall act as the commission's attorney on said complaint.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-329. - Jurisdiction of commission.

The ethics commission shall have jurisdiction of complaints involving any "city official" which includes the mayor and members of the city council, city manager, deputy and assistant city managers, city secretary, city attorney, department heads, and municipal court judges (including substitute judges), and all members of any board, commission or committee of the city, including the board of any corporation created by the city.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-330. - Complaints.

- (a) A sworn complaint alleging violation of the code of ethics shall specify the provisions of the Rules of Conduct (section 2-311) ~~or Section 2-310~~ alleged to have been violated and facts alleged to constitute the violation. In lieu of a complaint sworn to under oath, the complainant may subscribe to the complaint using an unsworn declaration prepared in compliance with the

Texas Unsworn Declaration Act, V.T.C.A., Civil Practice and Remedies Code ch. 132, as amended.

(b) Upon the complaint of any one (1) person filed with the city secretary's office, the commission shall consider possible violations of the code of ethics by city officials and board members and former city officials and board members other than members of this commission. In addition, the commission shall consider such possible violations when referred to it as a complaint by majority vote of all council members holding office and qualified to vote thereon. The council may direct the city attorney to draft such referred complaint, which shall be reviewed as other complaints hereunder. The council members voting for the complaint shall sign the complaint.

(c) A complaint alleging a violation must be filed with the city secretary within six (6) months from the date the complainants knew or should have known of the action alleged as a violation, and not afterward.

(d) (1) The city secretary, after receiving a complaint submitted in accordance with subsection (a) above, shall, within three (3) working days, acknowledge receipt to the complainant and provide a copy to the city attorney, the commission, and the person complained against.

(2) The person complained against shall have ten (10) calendar days, from receipt of the complaint, to submit a written response to the complaint to the city secretary.

(3) The commission shall, not earlier than the time allotted in subsection (d)(2) and not later than thirty (30) calendar days after receipt of a complaint by the city secretary, notify in writing the person who made the complaint and the person complained against whether it intends to schedule a hearing or take other action concerning the complaint.

(4) The complainant shall have one (1) opportunity within fifteen (15) calendar days of any denial of their original complaint by the commission to amend their complaint and refile the same with the commission.

(e) If the commission determines such party's complaint or defense was groundless, legal fees incurred by the complainants, the commission, and the party complained against, in an amount determined reasonable by the commission may be awarded against the unsuccessful party. "Groundless" means: (1) without basis or fact; or (2) not warranted by law or reasonably arguable interpretation thereof. The complainants shall not be liable for such fees if the commission has determined grounds exist for a hearing.

(Ord. No. 20781, § 1, 9-19-1989; Ord. No. 20896, § 1, 3-27-1990; Ord. No. 23772, § 4, 9-21-1999; Ord. No. 029428, § 1, 3-27-2012; Ord. No. 030573, § 1, 8-11-2015)

Sec. 2-331. - Ex parte communications.

After a complaint has been filed and during the pendency of a complaint before the commission, a member of the commission may not communicate directly or indirectly with any party or person about any issue of fact or law regarding the complaint, except at a meeting of the commission.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-332. - Hearing.

- (a) The hearing shall be held as expeditiously as possible following the determination by the commission to conduct a hearing on a particular matter. The commission may grant two (2) postponements, not to exceed fifteen (15) days each, upon the request of the person complained against; provided, however, the commission may also delay commencement of a hearing for good cause such as a hurricane or unavailability of a material witness.
- (b) The issue at hearing shall be whether the violation alleged in the complaint occurred. The commission shall make its determination based on the preponderance of credible evidence in the record. All witnesses shall testify under oath. Strict rules of evidence shall not be required; however, the commission shall require that all evidence be of such quality that persons customarily rely on in the conduct of serious affairs. If the commission determines that a violation has occurred, it shall state its findings in writing, shall identify the particular provisions which have been violated, and within five (5) working days shall deliver a copy of the findings to the complainants, the person complained against, and the city secretary.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-333. - Oaths.

If a complaint proceeds to hearing, the commission may subpoena witnesses to attend and testify, administer oaths, take evidence and subpoena the production of books, papers, records or other evidence needed for the performance of the commission's duties or exercise its powers, including its duties and powers of investigation.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-334. - Sanctions.

- (a) If the commission determines that a violation occurred, it shall proceed directly to determine its recommendation of appropriate sanctions. The affirmative vote of a majority of the members present at the meeting shall be required for the determination that a violation has occurred and the recommendation any sanction under this code of ethics. The commission may receive additional testimony or statements before considering sanctions, but is not required to do so.
- (b) If the commission determines that a violation has occurred:
 - (1) Against a council member or against a board member or city official appointed or confirmed by the council, it may recommend to the full city council a reprimand, temporary suspension, removal or any other sanction or corrective action within the power of the city council, or recall by the citizens.
 - (2) Against a city official other than those in subsection (b)(1), it may recommend to the city manager that appropriate action be taken, as deemed necessary by the city manager.
- (c) In determining its recommendation, the commission shall consider the seriousness of the violation, the importance of deterrence, the impact on public confidence in government, the violations' repeated or isolated nature, the mental state with which the violation was committed, and the prior record of the person complained against. The recommendation shall be reduced to writing and transmitted to the supervisory authority and to the person complained against.
- (d) If the commission finds that conduct occurred which, if willful, would violate the rules of conduct, but the commission cannot determine that the conduct was a willful violation because of ambiguity as to

the meaning of the standard of conduct involved, the commission will recommend no sanction, but will issue a clarifying interpretation to guide future cases.

- (e) Nothing in the code of ethics shall change or affect the civil service, at will, or other status of any employee, city official, or board member as established by the City Charter and ordinances.
- (f) The city council or supervisory authority shall consider the recommendation of the commission, but will exercise its own judgment and discretion in determining what action, if any, to take.
- (g) If the commission determines that a violation of any criminal law has occurred, it shall deliver a copy of its findings to the complainants, the person complained against, and the city attorney, recommending whether prosecution should be initiated or setting forth requirements to be complied with in order that voluntary compliance requirements may be had. Said findings shall also be delivered to the county attorney or district attorney, if a violation may be within their jurisdiction.

(Ord. No. 20781, § 1, 9-19-1989; Ord. No. 030573, § 1, 8-11-2015)

Secs. 2-335—2-339. - Reserved.

DIVISION 3. - FINANCIAL DISCLOSURE

Sec. 2-340. - Required reports.

On or before the last Friday of April of each year, reporting officials shall file with the city secretary an annual report of financial information covering January 1 through December 31 of the previous year. Council members and planning commission members shall also file with the city secretary a supplemental report of financial information by the last Friday of July of each year covering the most recent January 1 through June 30.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-341. - Definitions.

The following definitions shall apply to these financial disclosure provisions:

Person: An individual, proprietorship, firm, partnership, joint venture, syndicate, trust, company, corporation, association, committee, estate, receiver, entity or any other organization or group of persons acting in concert, whether profit or nonprofit.

Relative: Spouse, father, mother, brother, sister, son, daughter, spouse's children, grandfather, son-in-law, daughter-in-law, grandmother, uncle, aunt, nephew, niece, grandson, granddaughter, first cousin, father-in-law, mother-in-law, brother-in-law, sister-in-law, grandfather-in-law, grandmother-in-law, uncle by marriage, aunt by marriage, nephew's wife, niece's husband, grandson-in-law, granddaughter-in-law, and first cousin's spouse, adoptive relationships being treated the same as natural relationships.

Reporting official: The mayor and members of the city council, city manager, deputy and assistant city manager, city secretary, city attorney, department heads, municipal court judges (including substitute judges), and all members of the planning commission, ethics commission, civil service board, civil service commission, Corpus Christi Health Facilities Development Corporation, Corpus Christi Housing Finance Corporation, Corpus Christi Housing Improvement Corporation, Corpus Christi Industrial Development Corporation and the attorney who serves as local issuer's counsel for and any executive employee hired by the above corporations.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-342. - Content of reports.

The reports required shall contain the following information for the reporting period by separate listing. In this section, the report for the reporting official shall include all such information for the reporting official's spouse, but information relating to the spouse need not be segregated from that relating to the reporting official.

- (a) Name and residence address.
- (b) All professional, occupational, business licenses held by the reporting official.
- (c) The names of any businesses with which the reporting official was actively engaged or associated, and the principal address and phone number of each, together with the position or title held. (This list should not include interests in or positions with any businesses which are required to be reported in other provisions of this section.)
- (d) The names and addresses of all sources of income which exceed ten (10) per cent of the reporting official's gross income, or five thousand dollars (\$5,000.00) in salary, bonuses, commissions or professional fees, or twenty thousand dollars (\$20,000.00) in payment for goods, products or non-professional services. If the reporting official is self-employed or owns or controls at least a twenty (20) per cent interest in a partnership, corporation or other entity through which the reporting official does business, the reporting official shall also report the names and addresses of the clients or customers who do business with the city from whom the reporting official, partnership, corporation or other entity received at least ten (10) per cent of its gross income. Prior to each reporting deadline, the city shall publish a list of the names and addresses of the persons who do business with the city in the amount of ten thousand dollars or more each year (excluding utility services or the payment of taxes) which reporting officials may rely upon for the purposes of complying with this provision. A reporting official operating a business as a sole proprietor shall not be required to report a client or customer under this subsection he or she would not have to report if operating as a corporation or partnership.
- (e) The names and addresses of all corporations, partnerships or other business organizations in which the reporting official held, owned, acquired or sold stock or other equity ownership having a value exceeding five thousand dollars (\$5,000) or equivalent to ten (10) per cent or more of the stock or equity in the entity or owns ten (10) per cent or more or five thousand dollars (\$5,000.00) or more of the fair market value of the business organization or funds received from business organization exceeds ten (10) per cent or more of the person's gross income for the previous year.
- (f) An itemized list of all real property in Nueces County or any adjoining county in which the reporting official held any legal or equitable ownership with a fair market value of two thousand five hundred dollars (\$2500.00) or more. The list shall include a description sufficient to locate the property.
- (g) The name and address of any person to whom the reporting official was indebted in excess of ten thousand dollars (\$10,000.00) together with the dates any such debts were incurred. "Indebted" includes obligations on which the reporting official is a guarantor or co-signer, in which case the names of the borrower and lender shall be listed.
- (h) The name and address of any person who is an obligor on any note, bond, loan or any other similar obligation, written or unwritten, owed to the reporting official which in the aggregate equal ten thousand dollars (\$10,000.00) or more together with the dates of such obligations.
- (i) A list of all contracts with the City of Corpus Christi, including the date, term, type of good or services provided and the amount of the contract.
- (j) All boards of directors or governing bodies of which the reporting official is a member, and all offices or executive positions the reporting official holds in corporations, partnerships, limited partnerships, professional corporations, associations, or other entities, including non-business and non-profit entities, stating the name of each entity and position held, and excluding entities owned or created by the city.
- (k) The names and addresses of all persons from whom the reporting official received gifts or favors, including but not limited to trips, excursions, food, lodging, money, commodities or services,

cumulatively exceeding two hundred dollars (\$200.00) in value. The nature and date of each gift received shall be specified. Provided, however, campaign contributions reported as required by state law and gifts or favors from relatives need not be reported hereunder.

(Ord. No. 20781, § 1, 9-19-1989; Ord. No. 028271, § 5, 8-18-2009)

Sec. 2-343. - Financial disclosure by candidates.

All candidates for city council shall file an annual report of financial information covering January 1 through December 31 of the previous year containing the information required by the above sections with the city secretary within five days after filing for office. If the deadline for candidate filing is after June 30, they shall also file a supplemental report of financial information. If any incumbent candidate has previously filed a report for the appropriate period(s), that report shall satisfy this section.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-344. - Reports to be sworn and maintained.

All reports of financial information required by the code of ethics shall be sworn, and shall be preserved for five (5) years as public records.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-345. - Filing dates for reports.

Reports required by this division must be physically filed with the city secretary by 4:45 p.m. on the day required for filing. When the day falls on an official city holiday as established by the city council, the deadline for receipt by the city secretary is extended to 4:45 p.m. of the next day which is not a Saturday or Sunday or official city holiday.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-346. - Failure to file report.

The failure of a reporting official or employee to file a true and accurate report as required under this code of ethics shall constitute a violation of the rules of conduct. Failure to timely file a report by a member of the planning or ethics commission or the civil service board/commission shall constitute forfeiture of the office. Such forfeiture shall be automatic and immediate, except if state law requires a hearing, the forfeiture shall occur immediately upon a council determination of timely failure to file. In the event a person who has failed to file a required report no longer serves in an official capacity with the city, that person shall be barred from serving as an appointed officer, board member or employee of the city in the future until the required report has been filed.

(Ord. No. 20781, § 1, 9-19-1989; Ord. No. 21195, § 1, 7-16-1991)

Sec. 2-347. - Voluntary reports.

Any city official, employee, or board member may file reports exceeding the requirements of the code of ethics, and said reports shall be preserved in the same manner as required reports.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-348. - Disclosure of gifts by employees.

Any employee of the city other than reporting officials, whether under civil service or not, who received gifts or favors, including but not limited to trips, excursions, food, lodging, money, commodities, or services, cumulatively exceeding two hundred dollars (\$200.00) in value in any calendar year, from any person (other than a relative) whose name is published in the list of persons doing business with the city under subsection 2-342(d), shall file a report of the names and addresses of such persons and the date and nature of each gift with the city secretary. The deadline for filing such reports shall be February 1 of each year; provided that, such a separate report shall not be required for any employee who is required to file a report as a reporting official.

(Ord. No. 20781, § 1, 9-19-1989)

Sec. 2-349. - Disclosure of interests by contractors.

- (a) Any business desiring city council, board, commission or committee consideration or action concerning that business (other than granting an electrician license, solicitation permit and approving a plat) shall, prior to its placement as an agenda item on the public notice of such body, file with the city (and if a vendor, file with the city's purchasing agent) a statement specifically naming any city employee, official and board member having an ownership interest in the business constituting three (3) per cent or more of the ownership, or having any pecuniary interest in the transaction or property which is the subject of consideration or action.
- (b) In the case of any business desiring to sell goods or services to the city (except when the value of the goods or services is not reasonably anticipated to exceed one hundred dollars (\$100.00) per calendar year), but which does not require city council, board, commission or committee consideration or action, the business shall file with the city's purchasing agent a statement specifically naming any city employee, official and board member having any ownership interest in the business constituting three (3) per cent or more of the ownership, or having any pecuniary interest in the transaction. This provision does not apply to or include the purchase of magazine subscriptions and memberships in professional or trade organizations related to municipal operations.
- (c) For corporate businesses whose shares are publicly traded and listed on recognized national or regional stock exchanges or over-the-counter markets, it shall be sufficient if a current Securities and Exchange Commission Form 10-K is filed in lieu of the statements required by this section.
- (d) If a person who requests official action on a matter knows that the requested action will confer an economic benefit on any city official or employee that is distinguishable from the effect that the action will have on members of the public in general or a substantial segment thereof, he or she shall disclose that fact in a signed writing to the city official, employee, or body that has been requested to act in the matter, unless the interest of the city official or employee in the matter is apparent. The disclosure shall also be made in a signed writing filed with the city secretary.

(Ord. No. 20781, § 1, 9-19-1989; Ord. No. 028271, § 6, 8-18-2009)

SECTION 3. If for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word, or provision of this ordinance, for it is the definite intent of this City Council that every section, paragraph, subdivision, clause, phrase, word or provision of this ordinance be given full force and effect for its purpose.

SECTION 4. Publication shall be made in the official publication of the City of Corpus Christi as required by the City Charter of the City of Corpus Christi. This ordinance shall take effect upon final City Council approval.