

**City of Dexter
Ordinance No. 2020 – XX
Conflict of Interest Ordinance**

SECTION 1. Title

This Ordinance shall be known and cited as the City of Dexter Conflict of Interest Ordinance.

SECTION 2. Preamble

The City of Dexter Charter calls for the adoption of a Conflict of Interest Ordinance. The purpose of this Ordinance is to establish standards of conduct for all elected and appointed City officials regarding conflicts of interest so as to enhance public confidence in the government of the City of Dexter, to avoid unethical conduct by City officials, and to avoid the appearance of impropriety by City officials.

SECTION 3. Definitions

Public Official - includes all City of Dexter elected and appointed officials, including but not limited to members of City Council, Boards, Commissions, Committees; and City employees.

Conflict of Interest – when there exists the possibility that the interests of the City may diverge from, or be in conflict with, the interests of a Public Official. Such a Conflict of Interest could include, but is not limited to, situations involving a Public Official and:

- (1) a financial benefit not shared with a substantial segment of the public for any of the following:
 - a. The Public Official;
 - b. A member of the Public Official's immediate family or relative;
 - c. An employer of the Public Official other than of the City;
 - d. Any business in which the Public Official, a member of the Public Official's immediate family, or a relative of the Public Official has a financial interest; or
 - e. Any business with which the Public Official, a member of the Public Official's immediate family, or a relative of the Public Official is negotiating or seeking employment or any other business or professional relationship.
- (2) a matter concerning his or her own conduct;
- (3) a matter concerning land owned by him or her or which is adjacent to land owned by him or her;
- (4) a matter involving a corporation, company, partnership, or any other entity in which he or she is a part owner, or any other relationship with a corporation, company, or partnership;

- (5) a matter concerning his or her spouse, children, step-children, grandchildren, parents, brothers, sisters, grandparents, parents in-law, grandparents in-law, or members of his or her household;
- (6) a matter where his or her employee or employer is an applicant or agent for an applicant;
- (7) a matter in which, due to particular circumstances, the Public Official believes there may be the appearance of improper bias that could taint the outcome or process if the Public Official participates.

SECTION 4. Prohibited Conduct-Conflict of Interest

- (1) A Public Official shall not intentionally take or refrain from taking any action on; induce or attempt to induce any other Public Official to take or refrain from taking any official action on; deliberate on; vote on; or review any matter before the City for which they have a Conflict of Interest.
- (2) No Public Official shall vote on, or participate in any deliberations on, any question or issue in which he or she has a Conflict of Interest.

SECTION 5. Disclosure and Determination of Conflicts of Interest

- (1) Whenever a potential Conflict of Interest exists, the Public Official must notify the City, either orally on the record at a meeting of the public body involved, or in writing filed with the City Manager prior to the Public Official taking any other action in the matter. The City Manager shall preserve all written disclosure statements in accordance with the City's records retention schedule. In either case it shall be made a part of the record of a regular meeting of the most appropriate public body, and in either case shall include:
 - a. The identity of all persons involved in the Conflict of Interest.
 - b. The source and type of the Conflict of Interest
 - c. The source and amount of monetary value or equivalent derived from the Conflict of Interest that may be considered as resulting from employment, investment or gift.
- (2) Once a potential Conflict of Interest has been made a part of the record, the member(s) with the Conflict of Interest shall:
 - a. Cease to participate at any meetings before which the matter is considered, or represent one's self before the public body, its members, committees, commissions or staff on the matter, and
 - b. During deliberation of the matter before the public body, leave the meeting room until that agenda item is concluded.

SECTION 6. Advisory Opinions Regarding Potential Conflicts of Interest

Any Public Official may request that the City Attorney provide an advisory opinion interpreting the effect or application of this Ordinance generally, or on questions directly relating to the propriety of their conduct in a particular situation.

SECTION 7. Investigation of Complaints; Hearing

- (1) Upon acquiring reasonable information or belief about a violation of this Ordinance by a Public Official (except City employees), the complaint shall be referred to City Council, which upon a majority vote shall refer the complaint to the City Attorney for investigation. When that investigation is complete, the City Attorney shall provide the City Council with the results of the investigation. By a majority vote, the City Council may call for a hearing at a regular or special meeting of the City Council to determine whether or not a violation did in fact occur and, if so, what penalties should be imposed for the violation.
- (2) Upon acquiring reasonable information or belief about a violation of this Ordinance by a member of City Council, the complaint shall be referred to City Council, which upon a majority vote of the remaining members shall refer the complaint to the City Attorney for investigation. When that investigation is complete, the City Attorney shall provide the City Council with the results of the investigation. By a majority vote of the remaining members, the City Council may call for a hearing at a regular or special meeting of the City Council to determine whether or not a violation did in fact occur and, if so, what penalties should be imposed for the violation.
- (3) The City Manager shall perform or shall have performed an investigation into complaints against City employees regarding potential Conflicts of Interest.
- (4) Nothing in this Ordinance shall be construed to diminish or impair the rights of any City employee under any provision of a collective bargaining agreement in effect on the effective date of this Ordinance, nor the City's obligation to comply with any collective bargaining agreement.

SECTION 8. Violations and Penalties

A Public Official who is a member of City Council who violates this Ordinance is subject to censure by the unanimous vote of the remaining members of the City Council. Except for City employees, any other Public Official who violates this Ordinance is subject to censure by the unanimous vote of the City Council, and/or by a majority vote, removal from their position on such board, commission, or committee. A Public Official who is a City employee who violates this Ordinance may be subject to discipline, including termination (provided such discipline is consistent with any contractual obligations). The penalties identified in this Ordinance are not exclusive remedies, and any and all penalties or forfeitures provided for by law may also be enforced.

SECTION 9. Retaliation Prohibited

- (1) The City shall not discipline, discharge, threaten, or otherwise discriminate against a City employee in regards to the terms and conditions of his or her employment because the employee, or a person acting on behalf of the employee, has reported, is believed to have reported, intends to report, or is believed to intend to report, either

verbally or in writing, a violation or suspected violation of this Ordinance, unless the employee knows or reasonably should know that the report is false.

- (2) The City shall not discipline, discharge, threaten, or otherwise discriminate against a City employee in regards to the terms and conditions of his or her employment because the employee is requested by the City to participate in an investigation or hearing regarding an alleged violation of this Ordinance.
- (3) A board, commission, or City Council shall not discipline, censure, threaten, or otherwise discriminate against a Public Official because that Public Official , or a person acting on behalf of that Public Official, has reported, is believed to have reported, intends to report, or is believed to intend to report, either verbally or in writing, a violation or suspected violation of this Ordinance, unless the Public Official knows or reasonably should know that the report is false.
- (4) A board, commission, or City Council shall not discipline, censure, threaten, or otherwise discriminate against a Public Official because the Public Official is requested by the City to participate in an investigation or hearing regarding an alleged violation of this Ordinance.

SECTION 10 Supplement to State Law

~~(4) This City of Dexter Conflict of Interest Ordinance supplements State law, contained at MCL 15.321-330, which applies to contracts between, and solicitation of contracts by, a Public Official and the City of Dexter entity on which he or she is an officer or employee.~~

SECTION 11: Inconsistencies Repealed

Any and all other ordinances or resolutions or parts thereof in conflict with this Ordinance are repealed.

SECTION 12: Severability

If any section, clause or paragraph of this Ordinance be declared invalid by a court of competent jurisdiction, such action will not affect the validity of the Ordinance as a whole or its parts, other than the part declared to be invalid.

SECTION 13: Saving Clause

Nothing in this Ordinance shall be construed to affect any suit or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby repealed; nor shall any previously-existing legal right or remedy of any character be lost, impaired or affected by this Ordinance.