Draft copy submitted for Attorney review: Feb. 1, 2023

CITY OF THE VILLAGE OF DOUGLAS ALLEGAN COUNTY, MICHIGAN ORDINANCE NO. 171 ORDINANCE 04-2023

AN ORDINANCE TO AMEND THE ORDINANCE CODE NO. 171: CODE OF ETHICS OF THE CITY OF THE VILLAGE OF DOUGLAS, MICHIGAN.

THE CITY OF THE VILLAGE OF DOUGLAS ORDAINS:

That the Ordinance Code of the City of the Village of Douglas, Michigan (the "Code"), Article VII. Code of Ethics is hereby amended by adding Article VII to Chapter 2 of the Code as follows:

ARTICLE VII. CODE OF ETHICS

Secs. 2-170. Title.

This ordinance shall be referred to as the "Code of Ethics."

Secs. 2-171. Purpose.

The purpose of this ordinance is to establish a standard of ethical conduct for public servants and employees of the City of the Village of Douglas.

Secs. 2-172. Definitions.

The following terms shall be defined as follows:

"Business entity" means a corporation, a limited liability company, partnership, joint venture, unincorporated association, sole proprietorship, trust, and any other business form.

"Confidential information" means any information and documents which are exempt from disclosure under the Michigan Freedom of Information Act, Public Act 267 of 1976, as amended or information communicated in a closed-door session under the Open Meetings Act, Public Act 267 of 1976, or under other Michigan or federal law.

"Conflict of interest" means an interest that directly competes with or is adverse [unfavorable, disagreeable, poor, hostile, harmful, or gives the impression of such] to a public servant's duty to the public.

"Ethics Review Committee" means the group of persons identified in Section 2-177.

"Interest" means any right, title or share, whether it is personal, financial, legal, or equitable, which is owned, held or controlled, in whole or in part, directly or indirectly, by a public servant. It does not include any ownership in a corporation acquired through the purchase for fair market value or inheritance of less than one percent of the shares of such corporation, or of a parent, subsidiary or affiliate of such corporation, if such shares had been registered on the securities exchange pursuant to the Securities Exchange Act of 1934, as amended.

"Public body" means City Council the Village (modified throughout document), and any board, authority, commission, committee, subcommittee, department, office or other agency of the City.

"Public servant" means the Mayor Village President, a member of the City Council a Trustee of the Village, administrative officers, and any other person elected or appointed to a public body of the City, regardless of whether such person receives monetary compensation.

"Village" City means the City of the Village of Douglas, a Michigan General Law Village city.

Secs. 2-173. Prohibited Conduct.

All public servants are prohibited from engaging in the following conduct regardless of whether a public disclosure is made:

- (a) Divulging confidential information to any person or business entity not authorized to obtain such information;
- (b) Benefiting financially from divulging confidential information.
- (c) Representing his or her personal opinion as that of the Village City;
- (d) Acting on behalf of the Village City when no authority has been given;
- (e) Soliciting or accepting any gift, loan, goods, services, except anything of nominal value, which tends to influence the manner in which the public servant performs his or her duties;
- (f) Using his or her official position to unreasonably secure, request, or grant any interest, privilege, exemption, advantage, or preferential treatment for his or her benefit or the benefit of others; and
- (g) Substantially failing to follow the Village City Council's rules of procedure and exercising decorum at meetings, matters, and activities of the City.

Secs. 2-174. Disclosure.

- (a) Except as otherwise provided in this subsection (a), no public servant shall request, use or permit the use of any publicly owned or publicly supported property, vehicle, equipment, labor, service, or money, for their personal convenience, their private advantage, or for a use that does not directly benefit the Village City. This shall not preclude a public servant from requesting, using or permitting the use of such publicly owned or publicly supplied property, vehicle, equipment, material, labor or service if the public servant has made a public disclosure of the conflict of interest as provided in this ordinance and the Village City Council has approved the request, use, or permitting of the use.
- (b) Except as otherwise provided in this subsection (b), no public servant shall participate in any way in a Village City contract, loan, grant, rate fixing, issuance of a permit, zoning matter, or ordinance matter directly involved in any way affecting a business entity in which he or she has an interest. This shall not preclude a public servant from participating in any Village City contract, loan, grant, rate fixing, issuance of a permit, or zoning matter, or ordinance matter directly involved in any way affecting a business entity in which he or she has an interest if the following has been complied with:
 - (1) The public servant makes a public disclosure as provided in this ordinance.
 - (2) The public servant does not participate is not involved, directly or indirectly in the decision regarding the Village City contract, loan, grant, rate fixing, issuance of a permit, zoning matter, or ordinance matter; and
 - (3) After reviewing the circumstances and the public disclosure, the Village City Council, or the applicable public body, determines that the Village City contract, loan, grant, rate fixing, issuance of a permit, or a decision regarding a zoning matter or ordinance matter is in the best interest of the Village City.
- (c) Except as otherwise provided in this subsection (c), no public servant shall engage in employment with, or render services for, any person or business entity which transacts business with the Village City or any public body of the Village City. This shall not preclude a public servant from engaging in employment with, or rendering services for, any person or business entity, which transacts business with the Village City or any public body of the Village city if the following has been complied with:
 - (1) The public servant makes a public disclosure as provided in this ordinance; and
 - (2) After reviewing the circumstances and the public disclosure, the Village City Council, or the applicable public body, determines that the public servant's engaging in employment with, or rending services for, any person or business entity, which transacts business with the Village City or any public body of the Village City does not impair or tend to impair the public servant's independence of judgment.

Secs. 2-175. Contents of Disclosure.

For any public disclosure required under this ordinance, a public servant shall disclose the following:

- (1) The identify and relationship of all of the persons and business entities involved; and
- (2) The nature of the conflict of interest.

All written public disclosures shall be signed under penalty of perjury and notarized.

Secs. 2-176. Methods of Public Disclosure.

- (a) Whenever an elected official is required to make a public disclosure as provided in this ordinance, the elected official shall make it either orally on the record at a meeting of the applicable public body, or in writing and file it with the Village City Clerk.
- (b) Whenever any other public servant other than the ones described in subsection (a) above are required to make a public disclosure as provided in this ordinance, it shall be made in writing to the Village City Manager.
- (c) All public disclosures, whether oral or written, shall be provided to the Ethics Review Committee within five (5) days of the public disclosure. Any oral public disclosure shall be transcribed in writing and forwarded as provided above.
- (d) All public servants shall make a public disclosure pursuant to this ordinance ten (10) days before the decision is to be made by the applicable public body or as soon as reasonably possible.

Secs. 2-177. Enforcement and Penalties.

- (a) All matters regarding this ordinance shall be directed to the Ethics Review Committee. The Ethics Review Committee shall consist of the Village President City Mayor, Clerk, and the chair of the Personnel Committee Chief of Police, unless one of these persons is the subject of an investigation. The Ethics Review Committee is authorized to take whatever action is consistent with this ordinance.
- (b) Once the Ethics Review Committee has received a complaint, request for information, or public disclosure, it shall make a determination whether to proceed. If the Ethics Review Committee makes a determination to proceed Following the hearing or in the event there is no hearing held, it the Ethics Review Committee shall notify in writing the affected public servant of the charges underlying the determination to proceed. The public servant shall have an opportunity to a hearing before the Ethics Review Committee. The Ethics Review Committee shall schedule the hearing within thirty (30) days of the public servant's request. If the Ethics Review Committee determines to proceed, it shall make a recommendation to the Village City Council regarding the matter, which includes, but is not limited to, further review and investigation, or a determination as to enforcement. Enforcement may include be any one or some combination of the following: civil prosecution, criminal prosecution, or both. Enforcement may also include removal from office if the public servant is guilty of official misconduct, willful neglect of duty, extortion, habitual drunkenness, or has been convicted of being drunk, or convicted of a

felony as provided in MCL 168.327 383. The Ethics Review Committee's recommendation shall be forwarded to the Village Council. If the recommendation from the Ethics Review Committee involves any Trustee Councilmember of the Village City Council, such Trustee Councilmember shall be disqualified from voting on and participating in any discussion on the recommendation of the Ethics Review Committee. The Village City Council shall review the recommendation at its next meeting and shall vote to do any of the following: accept, reject, or send the recommendation back to the Ethics Review Committee for further research and consideration. The Village City Council must approve a motion to either accept or reject the Ethics Review Committee's recommendation by a vote of five (5) Trustees members of the Village City Council. If a motion to either accept or reject the Ethics Review Committee's recommendation does not obtain a vote of five (5) members of the Village City Council, the recommendation will be sent back to the Ethics Review Committee for further research and consideration. If the recommendation is accepted by the Village City Council, it shall be binding and have an immediate effect on the public servant unless further action is required by law. The effect of the Village City Council rejecting the Ethics Review Committee's recommendation will be to dismiss the complaint or resolve in finality the request for information or public disclosure. If the determination of enforcement involves removal from office, the Village City Council shall prepare a report which details the matter and shall send it to the Governor for a determination as provided in MCL 168.383 327. If the determination of enforcement involves civil or criminal prosecution, it shall be referred to the Village City Attorney for further action. To the extent authorized or permitted by law, the Village City shall collect its out-of-pocket costs (including attorney fees) involving civil or criminal prosecution from a public servant who has violated this ordinance.

Secs. 2-178. Advisory Opinion.

The Village City Council, the Ethics Review Committee, and any public servant with the consent of either the Village City Council or the Ethics Review Committee may request that the Village City Attorney provide an advisory opinion interpreting the effect of this ordinance generally, or on issues directly relating to conduct in a particular situation.

Secs. 2-179. Validity.

The invalidity of any section, sentence, clause, or any other part of this ordinance shall not affect the validity of any other part of this ordinance.

Secs. 2-180. Effective Date.

This ordinance was adopted by the Village City Council at its [will take effect on [].	,] regular meeting, and	d
Ordinance Adoption Date: []			
Ordinance Effective Date: []			

CITY OF THE VILLAGE OF DOUGLAS

By		
	Tim Glinski	Jerome Donovan
	It's President	City Mayor
$\mathbf{B}\mathbf{y}$		
	Barbara McVe	a Pamela Aalderink
	It's Clerk/Trea	surer City Clerk