



City of Denton

City Hall
215 E. McKinney St.
Denton, Texas 76201
www.cityofdenton.com

Meeting Agenda

Board of Ethics

Monday, July 8, 2024

5:30 PM

Council Work Session Room

REGISTRATION GUIDELINES FOR ADDRESSING THE BOARD OF ETHICS

Citizens are also able to participate in the following way (NOTE: Other than public hearings, citizens are only able to comment one time per agenda item; citizens cannot use both methods to comment on a single agenda item. Public comments are not held for work session reports.):

- eComment – On July 3, 2024, the agenda was posted online at <https://tx-denton.civicplus.com/242/Public-Meetings-Agendas>. Once the agenda is posted, a link to make virtual comments using the eComment module will be made available next to the meeting listing on the Upcoming Events Calendar. Within eComment, citizens may indicate support or opposition and submit a brief comment about a specific agenda item. Comments may be submitted up until the start of the meeting at which time the ability to make an eComment will be closed. Similar to when a citizen submits a white card to indicate their position on an item, the eComments will be sent directly to members of the Board of Ethics and recorded by the Secretary.

Members review comments received in advance of the meeting and take that public input into consideration prior to voting on an agenda item. The Chair will announce the number of Comment Cards submitted in support or opposition to an item during the public comment period. Comments will not be read during the meeting. The Secretary will reflect the number of comments submitted in favor/opposition to an item, the registrant's name, address, and (summary of) comments within the Minutes of the Meeting, as applicable.

After determining that a quorum is present, the Board of Ethics of the City of Denton, Texas, will convene in a Regular Meeting on Monday, July 8, 2024 at 5:30 p.m. in the Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas at which the following items will be considered:

REGULAR MEETING

1. PRESENTATIONS FROM MEMBERS OF THE PUBLIC

This section of the agenda permits a person to make comments regarding public business on items as listed on the agenda and in-person presentations (allows for comments on items not listed on the agenda.) Each speaker will be allowed a maximum of three (3) minutes with up to five speakers per meeting.

2. ITEMS FOR CONSIDERATION

- A. [BOE24-023](#) Consider approval of minutes from June 3, 2024.

[Estimated presentation/discussion time: 5 minutes]

Attachments: [Exhibit 1 - Draft Regular Meeting Minutes 06-03-2024.pdf](#)

- B. [BOE24-026](#) Receive a report, hold a discussion, and give staff direction regarding future meeting topics.

[Estimated presentation/discussion time: 10 minutes]

Attachments: [Exhibit 1 - Agenda Information Sheet.pdf](#)
 [Exhibit 2 - Board of Ethics Tentative Meeting Topics \(July 2024\).pdf](#)

- C. [BOE24-025](#) Management Reports
 1. Update on the 2024 Packet of Proposed Amendments

[Estimated presentation/discussion time: 15 minutes]

Attachments: [Update on the 2024 Packet of Proposed Amendments.pdf](#)

- D. [BOE24-024](#) Receive a report, hold a discussion, and give staff direction regarding the Ethics Ordinances alignment with the 2017 Charter Review Committee Recommendations.

[Estimated presentation/discussion time: 30 minutes]

Attachments: [Exhibit 1 - Agenda Information Sheet.pdf](#)
 [Exhibit 2 - Charter Review Committee Report - Ethics Provisions \(May 2017\).pd](#)

NOTE: The Board of Ethics reserves the right to adjourn into a Closed Meeting on any item on its Open Meeting agenda consistent with Chapter 551 of the Texas Government Code, as amended, or as otherwise allowed by law.

CERTIFICATE

I certify that the above notice of meeting was posted on the official website (<https://tx-denton.civicplus.com/242/Public-Meetings-Agendas>) and bulletin board at City Hall, 215 E. McKinney Street, Denton, Texas, on July 3, 2024, in advance of the 72-hour posting deadline, as applicable, and in accordance with Chapter 551 of the Texas Government Code.

OFFICE OF THE CITY SECRETARY

NOTE: THE CITY OF DENTON'S DESIGNATED PUBLIC MEETING FACILITIES ARE ACCESSIBLE IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT. THE CITY WILL PROVIDE ACCOMMODATION, SUCH AS SIGN LANGUAGE INTERPRETERS FOR THE HEARING IMPAIRED, IF REQUESTED AT LEAST 48 HOURS IN ADVANCE OF THE SCHEDULED MEETING. PLEASE CALL THE CITY SECRETARY'S OFFICE AT 940-349-8309 OR USE TELECOMMUNICATIONS DEVICES FOR THE DEAF (TDD) BY CALLING 1-800-RELAY-TX SO THAT REASONABLE ACCOMMODATION CAN BE ARRANGED.



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Legislation Text

File #: BOE24-023, **Version:** 1

AGENDA CAPTION

Consider approval of minutes from June 3, 2024.

[Estimated presentation/discussion time: 5 minutes]

City of Denton Board of Ethics

After determining that a quorum was present, the Board of Ethics of the City of Denton, Texas, convened in a Regular Meeting on Monday, June 3, 2024, at 5:30 p.m. in the Council Work Session Room at City Hall, 215 E. McKinney Street, Denton, Texas at which the following items will be considered:

PRESENT: Annetta Ramsay, Dustin Pavelek, Patricia Reinke, David Zoltner, and Andrea Eberhard

ABSENT: None.

1. PRESENTATIONS FROM MEMBERS OF THE PUBLIC

None.

2. ITEMS FOR CONSIDERATION

A. BOE24-021 Consider approval of minutes from March 4, 2024.

The item was presented, and discussion followed. Member Zoltner moved to approve the minutes as presented; motion seconded by Member Eberhard.

AYES (5): Annetta Ramsay, Patricia Reinke, Dustin Pavelek, David Zoltner, Andrea Eberhard

NAYS (0): None.

ABSENT (0): None

B. BOE24-022 Receive a report, hold a discussion, and give staff direction regarding future meeting topics.

The item was presented, and discussion followed.

Topics for the August 2024 Board of Ethics meeting were chosen.

Next meeting will be August 5th at 5:30 p.m.

With no further business, the meeting was adjourned at 5:47 p.m.

Annetta Ramsay
Chair

Joseph Haddad
Recording Secretary

APPROVED ON: _____



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File #: BOE24-026, **Version:** 1

AGENDA CAPTION

Receive a report, hold a discussion, and give staff direction regarding future meeting topics.

[Estimated presentation/discussion time: 10 minutes]



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AGENDA INFORMATION SHEET

DEPARTMENT: City Auditor's Office

CITY AUDITOR: Madison Rorschach

DATE: July 8, 2024

SUBJECT

Receive a report, hold a discussion, and give staff direction regarding future meeting topics.

BACKGROUND

City of Denton Code of Ordinances Chapter 2, Article XI (Ethics), Sec. 2-277 (i) states that the Board of Ethics may recommend amendments to Article XI (i.e., the Ethics Ordinance) to the City Council from time to time.

DISCUSSION

Based on direction received at previous meetings the following meeting topics have been proposed. Those items that are struck through may no longer need to be addressed based on current proposed amendments to the ordinance.

Topic	Est. Time
Review Complaint Reconsideration Process	0:30
Comprehensive Review of Current Sanctions; Frivolous Sanctions	1:30
Preliminary Panel Member Objection Process	0:30
Order to Show Cause Process	0:45
Potential Campaign Financing Restrictions	0:30
Definition of Complainant	0:30

To help plan for future meetings, a document outlining tentative future meeting topics has been prepared based on direction received previously from the Board of Ethics.

Due to the City Council's current work session schedule and upcoming elections, the Packet of Proposed amendments has been scheduled to be presented to the City Council on June 4, 2024.

DIRECTION

Based on this information, Staff would like direction from the Board on the following:

- What topic(s), if any, does the Board of Ethics want to be added to August 2024;
- What topic(s), if any, does the Board of Ethics want to be added to October 2024; and
- Any additional topics that the Board wishes to discuss at future meetings.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

May 1, 2018: Ethics Ordinance Adopted

Jun. 2, 2020: Ethics Ordinance amended based on Board of Ethics recommendations
Jan. 25, 2022: Ethics Ordinance amended by City Council to remove professional preferences
Jul. 19, 2022: Ethics Ordinance amended based on Board of Ethics recommendations
Jul. 18, 2023: Ethics Ordinance amended based on Board of Ethics recommendations
Dec. 12, 2023: Ethics Ordinance amended by City Council to eliminate Alternate Members

EXHIBITS

1. Agenda Information Sheet
2. Board of Ethics Tentative Meeting Topics (July 2024)

Respectfully submitted:
Madison Rorschach, 940-349-7228
City Auditor

Board of Ethics Tentative Meeting Topics

Updated: July 3, 2024

Meeting	Item	Est. Time
July 2024	Minutes	0:05
	Historic Charter Election Discussion	0:30
	Management Reports	0:15
	Future Meeting Topics Update	0:10
	Total Est. Time:	1:00
August 2024	Minutes	0:05
	<i>TBD</i>	
	Management Reports	0:05
	Future Meeting Topics Update	0:05
	Total Est. Time:	0:15
October 2024	Minutes	0:05
	<i>TBD</i>	
	Management Reports	0:05
	Future Meeting Topics Update	0:05
	Total Est. Time:	0:15



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File #: BOE24-025, **Version:** 1

AGENDA CAPTION

Management Reports

1. Update on the 2024 Packet of Proposed Amendments
[Estimated presentation/discussion time: 15 minutes]

MEMORANDUM

DATE: July 8, 2024
TO: Board of Ethics
FROM: Madison Rorschach, City Auditor
SUBJECT: Ethics Ordinance Amendment Proposals Result

On June 4, 2024, the City Auditor and Board of Ethics Chair presented the 2024 Packet of Proposed Amendments to the Ethics Ordinance to the City Council. The following summarizes this discussion:

1. Repeal and replace Ethics Ordinance Sec. 2-273 (a) Conflicts of Interest.

This proposal was generally rejected by the City Council due to a lack of specificity and concern that this could allow the Ethics Complaint process to be misused by Complainants by requiring City Officials to withdrawal from participation in matters where a conflict of interest may not actually exist.

The City Council did give direction to amend the definition of Relative in accordance with the Boards recommendation. Staff is currently working on how to amend this language and plans to have an ordinance put before the City Council for potential adoption before the end of Fiscal Year 2023-24.

2. Eliminate Sec. 2-281 (c) (4) Burden of Proof, including amending the Board of Ethics' Rules of Procedure to adjust evidentiary Hearing procedures to reflect the elimination of the requirement for the Complainant to testify at an evidentiary hearing.

This proposal was rejected by the City Council. Concerns generally appeared to be due to misuse of the Ethics Complaint process to damage the reputation of City Officials without recourse and based on a person's right to face their accuser.



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File #: BOE24-024, **Version:** 1

AGENDA CAPTION

Receive a report, hold a discussion, and give staff direction regarding the Ethics Ordinances alignment with the 2017 Charter Review Committee Recommendations.

[Estimated presentation/discussion time: 30 minutes]



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AGENDA INFORMATION SHEET

DEPARTMENT: City Auditor's Office

CITY AUDITOR: Madison Rorschach

DATE: July 8, 2024

SUBJECT

Receive a report, hold a discussion, and give staff direction regarding the Ethics Ordinances alignment with the 2017 Charter Review Committee Recommendations.

BACKGROUND

In 2017 the City of Denton held a Charter Election that included language requiring the City Council to adopt an Ethics Ordinance that addressed the following four components at minimum:

1. The definition of a prohibited improper economic interest and personal gain;
2. The definition of recusal and improper participation when a potential conflict of interest is present;
3. Avoidance of the appearance of a conflict of interest; and
4. Administration and enforcement of the ethics ordinance coupled with strong and meaningful remedies for infraction.

Additional elements recommended by the charter review committee are included in Exhibit 2.

DISCUSSION

During the June 2024 meeting, the Board of Ethics directed staff to provide information on the 2017 Charter Review Committee's recommendations for discussion during the next meeting. Based on the discussion during this meeting, staff can provide additional information and research.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

May 1, 2018: Ethics Ordinance Adopted
Jun. 2, 2020: Ethics Ordinance amended based on Board of Ethics recommendations
Jan. 25, 2022: Ethics Ordinance amended by City Council to remove professional preferences
Jul. 19, 2022: Ethics Ordinance amended based on Board of Ethics recommendations
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EXHIBITS

1. Agenda Information Sheet
2. Charter Review Committee Report – Ethics Provisions (May 2017)

Respectfully submitted:
Madison Rorschach, 940-349-7228
City Auditor

6) Ethics

Question:

- Should the current conflict of interest and nepotism provisions be replaced with alternative ethics provisions?

Issues Identified:

- Under the current Charter, City Council could adopt an Ethics Ordinance
- However, provisions adopted in an Ethics Ordinance could conflict with the two current Charter ethics provisions if different:
 - **Personal Interest** - Any officer or employee with a substantial interest in a business or real property, as defined by chapter 171, shall comply with the chapter and shall abstain from voting on such matter.
 - **Nepotism** - No person shall be appointed to an office or be employed by the City of Denton who is related to any member of the council within the second degree of affinity or the third degree of consanguinity, and this shall apply to heads of departments in their respective departments.

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6) Ethics

Committee Recommendation:

- Charter Language - Recommended adopting Charter language that City **Council shall adopt an ethics ordinance** that addresses 4 ethics components at a minimum
- Ethics Ordinance - In addition to recommended Charter language, the committee recommended several issues to be addressed at a minimum by Council in an ethics ordinance.
- Unanimous vote for approval on May 17

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Recommended Charter Language for Ethics:

The City Council shall adopt an ethics ordinance. At the minimum, the ethics ordinance shall incorporate the conflict of interest standards that appear in chapter 171 of the Texas Local Government Code and all state law as presently exist or may be hereafter amended or adopted. The Council may adopt more stringent standards than those that appear in state law, but the ethics ordinance shall at a minimum include the following components:

- (1) Definition of a prohibited improper economic interest and personal gain;
- (2) Definition of recusal and improper participation when a potential conflict of interest is present;
- (3) Avoidance of appearance of conflict of interest; and
- (4) Administration and enforcement of ethics ordinance coupled with strong and meaningful remedies for infraction.

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Recommended Elements of an Ethics Ordinance:

- Elected and appointed officials **shall recuse themselves** from any discussion or agenda item wherein a conflict or appearance of conflict of interest may exist. Recusal shall mean not only NOT VOTING but also not participating in discussions, deliberations, or lobbying regarding the matter or closely related matters, either in the public forums or otherwise.
- **Conflict** shall be at a minimum as defined in the state law and more stringent in that percentage of ownership shall not be greater than 2 % or \$ 500, whichever is less, nor income derived be greater than \$ 1,000 for either prior or current year. Conflict criteria shall apply to officials and appointees who have fiduciary relationships with parties with pecuniary interest in such matters.
- Elected and appointed officials **shall comply with all applicable laws of the State of Texas**, including but not limited to Local Government Code Chapter 145, Local Government Code Chapter 171, Local Government Code Chapter 176, Penal Code, Sections 36.02, 36.03, and 36.04.
- **Ethics complaints shall be heard by a three-person panel** with mediation and arbitration experience. Council shall select and determine remuneration for a panel pool of not less than seven so that a rotating sequence may be established.
- **A mandatory Ethics training regimen shall be adopted and enforced** for all elected and appointed public officials. The regimen shall address both introductory and ongoing training with a minimum of quarterly continuing education for Ethics.
- **Consideration shall be undertaken to include all city employees** under the Ethics Ordinance to promote employee ethics education, compliance and ongoing training. Care should be exercised to fully interface existing policies and procedures to avoid management conflicts.

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