June 24, 2021 Item No. 9.5. Charter Amendment

Sponsor: Carla Robinson, City Attorney

Reviewed By CBC: N/A

Agenda Caption: Presentation, discussion, and possible action regarding proposed amendments to the College Station City Charter.

Relationship to Strategic Goals:

- Good Governance

Recommendation(s): It is recommended that the Council consider the proposed charter amendments and provide direction on proceeding with a charter amendment election on November 2, 2021.

Summary: During the February 5, 2021, Council retreat, the Council discussed the possibility of holding a special election on November 2, 2021, to propose charter amendments to the voters related to ethical requirements for city council members. In particular, the Council discussed proposing a change to Section 116 of the charter related to personal interests. The current language, adopted in 2012, requires city officials and employees to comply with state law pertaining to conflicts of interest. Prior to 2012, officials and employees were prohibited from having any financial interest direct or indirect in any contract with the City or from being financially interested directly or indirectly in the sale to the City of any land, materials, supplies or services. The current language is less restrictive than the former. During the February 5th retreat, the Council indicated a general desire to move back to the more restrictive requirement as it applies to city council members and an interest in calling a special election to ask the voters to decide.

Further, at the February 5th retreat, the Council determined to include in a possible charter amendment election a new section that would require city council members to both disclose any campaign contributions in excess of \$500.00 and abstain from participating in and voting on any matter before the Council if the matter before the Council would materially benefit the campaign contributor.

To proceed with a November 2, 2021, special election, the Council will need to consider the ballot language proposed for these two changes and provide any direction. The Council will subsequently consider an ordinance calling the special election at the July 22, 2021, council meeting.

Budget & Financial Summary: The cost to hold a special election includes the publication costs to publish notice of the special election as required by law. This cost is estimated as \$9,000.

Attachments:

Charter Amendment Proposition Language 06 24 21

AMENDMENT NO. 1

Shall Article XII (General Provisions), Section 116 (Personal Interest) of the College Station City Charter be amended to read as follows?

No member of the City Council shall have a financial interest, direct or indirect, or by reason of ownership of stock in any corporation, in any contract with the City, or be financially interested, directly or indirectly, in the sale to, or purchase from, the City of any land, materials, supplies or services except on behalf of the City; provided, however, that the provisions of this section shall only be applicable when the stock owned by the member of City Council exceeds one percent (1%) of the total capital stock of the corporation. Any violation of this section with the knowledge express or implied of the person or corporation contracting with the City shall render the contract voidable by the City Council or City Manager.

Personal Interest

Section 116. Members of the City Council and officers or employees of the City shall comply with state law pertaining to conflicts of interest of local government officials, including TEXAS LOCAL GOVERNMENT CODE, Chapter 171. No member of the City Council shall have a financial interest direct or indirect, or by reason of ownership of stock in any corporation, in any contract with the City, or be financially interested directly or indirectly in the sale to, or purchase from, the City of any land, materials, supplies or services except on behalf of the City; provided, however, that the provisions of this section shall only be applicable when the stock owned by the member of City Council exceeds one percent (1%) of the total capital stock of the corporation. Any violation of this section with the knowledge express or implied of the person or corporation contracting with the City shall render the contract voidable by the City Council or City Manager.

AMENDMENT NO 2

Shall Article XII (General Provisions) of the College Station City Charter be amended to add a new section requiring City Council Members to both disclose any campaign contribution in excess of \$500.00 by filing an affidavit with the City Secretary and abstain from participating in and voting on any matter before the City Council if the matter before the City Council would materially benefit the campaign contributor or any business entity in which the campaign contributor has a substantial interest?

Campaign Contributions

The acceptance of a campaign contribution in excess of five hundred dollars (\$500.00) by any City Council Member shall create a conflict of interest based on an appearance of impropriety with regard to any matter before the City Council that would materially benefit a campaign contributor or any business entity in which the campaign contributor has a substantial interest. Campaign contributions shall include loans, offsets to expenditures, and in-kind donations. For purposes of this section, a substantial interest in a business entity shall have the same meaning for campaign contributors as set out in TEXAS LOCAL GOVERNMENT CODE § 171.002 for local public officials. It shall be the responsibility of the campaign contributor, and not the City Council Member, to identify their substantial business interests impacted by this section.

Should a conflict of interest arise under this section, the conflicted City Council Member shall recuse themselves, stating the grounds for the conflict of interest on the record by filing an affidavit with the City Secretary, withdrawing from debate on the issue, excusing themselves from the meeting room while the item is being considered, and abstaining from the vote on the matter. The recusal requirement applies only to contributions made to the City Council Member for their current elected position and not to any prior elected positions held.

In the event a quorum cannot be obtained because of recusals pursuant to this section, abstention is not required, and the impacted City Council Members may remain in the meeting room and debate and vote on the matter as long as the nature of the conflict of interest is fully disclosed on the record.