

OPTION 1 – MANDATORY DISCLOSURE & RECUSAL

ORDINANCE NO. 20 - _____

**AN ORDINANCE
AMENDING CHAPTER 13 (CONFLICT OF INTEREST) OF
TITLE 1 (ADMINISTRATIVE) OF
THE NAPERVILLE MUNICIPAL CODE**

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NAPERVILLE, DUPAGE AND WILL COUNTIES, ILLINOIS, in exercise of its home rule powers that:

SECTION 1: Chapter 13 (Conflict of Interest) of Title 1 (Administrative) of the Naperville Municipal Code is hereby amended by deleting the stricken language and by adding the underlined language as follows:

TITLE 1 – ADMINISTRATIVE

CHAPTER 13 – CONFLICTS OF INTEREST

SECTION:

~~1-13-1: --~~ DEFINITIONS:

~~The following definitions shall apply to this Chapter:~~

~~BUSINESS OR TRANSACTION: Licenses, permits, approvals, and benefits granted, given, or entered into by the City.~~

~~Business or transaction restrictions shall not apply to those applicants exempted under Section 1-12-5 of this Title, unless specifically hereinafter provided.~~

~~CONTRACT: Any agreement between the City of Naperville and any person, firm, corporation, or entity for the purchase of materials, goods, or services or real estate from the entity. Contract shall also mean any agreement whereby real estate, materials, goods, or services are sold by the City to the entity. Contract shall also mean a deposit of monies, loans, or other financial services provided to the City by banks and other thrift institutions. Contract shall include employment by the City.~~

~~EMPLOYMENT INTEREST: An employment interest exists where a person is an employee or agent of the entity contracting or having any business or transaction with the City, and:~~

~~1. The person is compensated in a manner so that he would receive a commission, bonus, or profit-sharing distribution based in whole, or in part, on the contract, business, or transaction with the City, or~~

~~2. The total of all contracts, business, or transactions between the City and the entity, in any calendar year, amount to more than twenty-five thousand dollars (\$25,000.00).~~

~~An employment interest shall not include employment by another unit of government.~~

~~FAMILY INTEREST: A family interest exists where a person has a wife, husband, son, daughter, father, mother, brother, or sister who has an ownership or employment interest in a contract, business, or transaction with the City.~~

~~OWNERSHIP INTEREST: An ownership interest exists where a person is the sole proprietor, owner, partner, stockholder, or joint venturer of the entity contracting, or having any business or transaction with the City.~~

1-13-2 1: - PROHIBITED INTERESTS:

~~No member of the City Council or the City Manager shall have an ownership interest, an employment interest, or a family interest in any of the following matters:~~

- ~~1. Any contract, business, or transaction of the City or in the sale of any article to the City where the expense, price, or consideration is paid either from the City's treasury or by an assessment levied by the City;~~
- ~~2. Any purchase of goods, articles, or property belonging to the City'~~
- ~~3. Any purchase of property sold for delinquent taxes or assessments of the City or sold by virtue of legal process at the suit of the City.~~

~~The foregoing regulations shall not be applicable if a specific exception is provided for in Section 1-13-3 of this Chapter.~~

1. No member of the City Council shall vote on any matter pending before the City Council if the City Council member, member of that City Council member's immediate family (includes spouse, children and spouse of any child), or an

organization formed to support the candidacy of that City Council member has accepted or received a Relevant Campaign Contribution in excess of five hundred dollars (\$500.00) from any Interested Entity.

1.1. Relevant Campaign Contribution. Under this section, a “Relevant Campaign Contribution” is defined as money, employment, goods, services, or objects with any intrinsic value, including without limitation, campaign contributions, loans, offsets to expenditures, contributions in-kind, and independent expenditures by Interested Entities on behalf of the candidacy of a City Council member, provided that such thing of value was received during the period of the Council members’ most recent past term through the present.

1.2. Interested Entity. Under this section, an “Interested Entity” is defined as any individual person, organization, union, partnership, proprietorship, firm or corporation who is a petitioner; public objector; or agent or representative of a petitioner or public objector, concerning a matter pending before the City Council. Relevant Campaign Contributions made by an individual person who serves as officer of any of the interested entities referenced above shall be considered as campaign contributions on behalf of said individual person as well as on behalf of the entity for which said individual person serves as an officer. Relevant Campaign Contributions made by individual officers shall be calculated cumulatively on behalf of the applicable interested entity.

1.3. The total amount of Relevant Campaign Contributions from an Interested Entity that are returned or reimbursed by a Council member to the

Interested Entity prior to the election date of the Council members' most recent past City of Naperville Mayoral or City Council election shall not be considered under this section.

1.4. If the City Council is unable to assemble a quorum on a particular agenda item being considered by City Council due in whole to the number of conflicts of interest based on Relevant Campaign Contributions from Interested Entities this section shall be deemed automatically waived and all impacted Council members may vote on the matter pending before Council as long as the City Council member has disclosed the nature of the financial interest, including the amount of the financial interest, the purpose and duration of any employment provided or services rendered and compensation therefore, and such other information as may be necessary to describe the interest.

~~1-13-3: - EXCEPTIONS TO PROHIBITED INTERESTS:~~

~~Members of the City Council may have an ownership, employment, or family interest in any contract, business, or transaction if such interest meets one of the following conditions:~~

- ~~1. The ownership, employment, or family interest is less than a seven and one-half percent (7½%) share of the ownership of the entity and any contract is awarded by competitive bidding, or~~
- ~~2. The ownership, employment, or family interest is five percent (5%) or less of the shares of a publicly held corporation traded on a stock exchange, or~~

3. ~~The contract awarded by the City is less than ten thousand dollars (\$10,000.00) and is in accord with the procedures of Section 1-9B-7 of this Title, or~~
4. ~~The ownership, employment, or family interest is less than a seven and one-half percent (7½%) share of any public utility company providing utility services to the City and the utility's rates are approved by the Illinois Commerce Commission or the Federal Energy Regulatory Commission, or~~
5. ~~The ownership, employment, or family interest is less than a seven and one-half percent (7½%) share of a bank or savings and loan institution which has a contract of deposit of monies, loans, or financial services with the City.~~

1-13-2 4: - DISCLOSURE AND RECUSAL ABSTENTION:

When any member of the City Council has a prohibited interest or a required or voluntary disclosure to make under ~~an ownership, employment, or family interest, in a proposed contract, business, or transaction with the City, which interest is allowed by Section 1-13-3 of this Chapter, such Council Member shall file with the City Manager a written disclosure of such interest, and~~ a description of such interest, ~~the provision of Section 1-13-3 of this Chapter relied upon, and a description of the applicability of such exception on a form as follows:~~

DISCLOSURE OF INTEREST

~~IN CONTRACT, BUSINESS, OR TRANSACTION~~

Name: _____

Position with City: _____

City Council Meeting Date and Agenda Item: _____

Name of entity contracting with City: _____

Proposed contract, business, or transaction: _____

I have an Ownership

Employment

Family

Campaign Contribution

Other

interest in the proposed contract, business, or transaction as follows: _____

I am entitled to have such an interest ~~under the provisions of Section 1-13-3~~_____

because of the following facts: _____

Dated: _____

Signature: _____

1. Such written disclosure shall be filed with the City Manager not later than the call to order of the City Council meeting at which the proposed contract, business, or transaction is to be considered. The City Manager shall bring the written notification to the attention of the City Council in public when the item is called on the agenda for consideration.
2. A member of the City Council having an interest for which a recusal disclosure is required or opted shall leave the chamber where deliberations take place during the discussion and vote on the interested matter and shall not vote on said matter.

1-13-3: - (RESERVED)

1-13-4: - (RESERVED)

1-13-5: - (RESERVED) VOIDANCE OF PROHIBITED CONTRACTS:

~~No contract which would cause a violation of Section 1-13-2 of this Chapter shall be approved by the City Council and any contract which is approved is void ab initio.~~

1-13-6: - BOARDS AND COMMISSIONS: through **1-13-9: - COMPLIANCE WITH THE STATE OFFICIALS AND EMPLOYEES ETHICS ACT:** * * *

SECTION 2: This Ordinance shall be in full force and effect from and after its approval and shall only be applicable to Relevant Campaign Contributions from Interested Entities made as part of the consolidated general election on April 6, 2021 and after.

ADOPTED this _____ day of _____, 2020.

AYES:

NAYS:

ABSENT:

APPROVAL this _____ day of _____, 2020.

Steve Chirico
MAYOR

ATTEST:

Pam Gallahue, Ph.D.
CITY CLERK