

# **ETHICS REVIEW BOARD MEETING MINUTES TUESDAY, JANUARY 23, 2018**

A meeting of the Ethics Review Board (ERB) was held on Tuesday, January 23, 2018 at 6:00 pm in the Media Briefing Room of City Hall, 100 Military Plaza, San Antonio, Texas with the following present:

**Ethics Members Present:** Melanie Castillo, Ruben De Leon, Adriana Garcia, Linda Jackson, Wade Shelton, Ron Van Kirk, and Paula McGee

**Ethics Members Absent:** Magdalena Alvarado and Victoria Moreno-Herrera

**Staff Present:** Kevin Barthold, *City Auditor*; Andy Segovia, *City Attorney*; Leticia Saenz, *Deputy City Clerk*; Edward Guzman, *Assistant City Attorney*; Shreya Shah, *Assistant City Attorney*; Tina Flores, *Compliance Auditor*; and Rosalinda Diaz, *Sr. Administrative Assistant*

**Others Present:** William Brooks, *Brown and Ortiz*

## **CALL TO ORDER**

Chairwoman Garcia called the meeting to order at 6:05 pm.

## **ROLL CALL**

Mrs. Diaz called the roll noting that a quorum was present.

### **1. Approval of the minutes of the Ethics Review Board Meeting held on November 14, 2017.**

Mr. Shelton moved to approve the minutes of the Ethics Review Board Meeting held on November 14, 2017. Mrs. McGee seconded the motion. Motion carried unanimously by those present.

### **2. Briefing and possible action on Mayor Nirenberg's request that City formed entities be subject to the review and jurisdiction of the Ethics Review Board.**

Kevin Barthold stated that Mayor Nirenberg sent a memo to the City Attorney's Office and the City Auditor's Office requesting them to perform research on whether or not City-formed nonprofit organizations should be subject to the review and jurisdiction of the ERB. He noted that those organizations had their own regulations; but if adopted, would also be subject to follow the Ethics and Municipal Campaign Finance Codes. He asked the Board for feedback on whether or not nonprofit organizations should follow the City's Codes and to consider unintended consequences to the organizations.

Andy Segovia stated that his office researched how nonprofit organizations would affect the contract component in either the formation of the documents or service agreements. He noted that the objective was to strengthen the provisions that protect the City and enhance the rules and regulations nonprofit organizations have to govern themselves. He stated that it was vital to the City to have the correct protections in place to try and minimize any issues that could arise.

**Executive Session: Attorney-Client matters may be discussed on any of the items listed above under Section 551.071 (consultation with attorney) of the Texas Open Meetings Act.**

Chairwoman Garcia recessed the meeting at 6:20 pm to convene in Executive Session, pursuant to Texas Government Code Section 551.071 (consultation with attorney) of the Texas Open Meetings Act.

Chairwoman Garcia reconvened the Ethics Review Board meeting at 7:06 pm and announced that no action was taken in Executive Session.

### **3. Discussion and possible action of potential revisions to the Ethics Code and Municipal Campaign Finance Code.**

Tina Flores informed the ERB that the City Attorney's Office had revised the draft to Section 2-59 of the Ethics Code per the Board's direction. She stated that Councilmember Sandoval had requested that Section 2-59 of the Ethics Code include disclosure of campaign contributions for those seeking a letter of support from the City Council. Mrs. Flores requested that the Board review the changes provided by the City Attorney's Office and provide input. She noted that the Contracts Disclosure Form would require revisions if the changes to Ethics Code were approved by the City Council.

Mrs. Paula McGee stated that the additional language in Section 2-59 was too broad. Mr. Guzman replied that the intent was to have more transparency when organizations seek a letter of support from the City Council. He stated that he concurred that Section 2-59 was too broad and should be revised to better define who is required to disclose campaign contributions.

The Board directed the City Attorney's Office to provide revisions to Section 2-59 for the Board to review.

### **4. Update of compliance related duties.**

Mrs. Flores updated the Board regarding the Office of the City Clerk's deadlines for Campaign Finance Reports, Lobbyists Registrations, and City Employee Financial Disclosure Reports. She reported that in 2017, the City Auditor's Office reviewed 42 High Profile Contracts of which there were 305 Prime Contractors and 441 Subcontractors for a total of 3,100 individuals.

Mrs. Flores outlined the Zoning Cases for 2017 that were represented by 122 Agents, 74 Individuals, and 97 Lobbyists. She stated that the numbers clarified why the City Council was concerned that Lobbyists would fall into a perpetual black out period if they were prohibited from making contributions. She stated that currently Section 2-309(d) of the Municipal Campaign Finance Code prohibits individuals, owners, officers, and their spouses who apply for a zoning change from making political contributions. She stated that the ERB had recommended

to add “any attorney, lobbyist, or consultant hired or retained to assist the individual or entity” to Section 2-309(d). She noted that the Board would have to decide if attorneys, lobbyists, and consultants should be added to the Code.

Mrs. Flores outlined the comparison of political contribution limits and cycles for the cities of Austin, Dallas, El Paso, Fort Worth, and Houston.

Mr. Shelton moved that Chairwoman Garcia prepare a memo to the Mayor to create a Panel to review campaign contribution limits and express the Board’s desire to be part of the process through representation. Mr. Van Kirk seconded the motion. Motion carried unanimously by those present.

**5. Schedule of future meetings.**

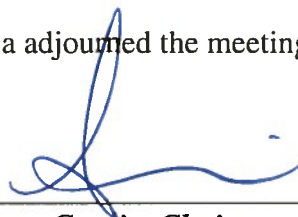
Mrs. Flores asked the ERB Members if they would like to continue conducting the ERB meetings on the second Tuesday of each month. The Board agreed to schedule ERB Meetings on the second Tuesday of each month and modify if needed.

**6. Citizens to be Heard.**

There were no citizens registered to speak.

**ADJOURNMENT**

There being no further discussion, Chairwoman Garcia adjourned the meeting at 7:40 pm.



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*Adriana Garcia, Chair*

Respectfully Submitted,



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*Rosalinda G. Diaz, Office of the City Clerk*