ORDINANCE NO. 2824

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KIRKLAND ESTABLISHING A CODE OF ETHICS FOR EMPLOYEES OF THE CITY OF KIRKLAND; PROVIDING GUIDANCE FOR PUBLIC EMPLOYEES IN THE EVENT OF POTENTIAL CONFLICTS OF INTEREST.

Be it ordained by the City Council of the City of Kirkland as follows:

Section 1: Declaration of Policy. This Chapter is enacted to establish guidelines for ethical standards of conduct which shall govern the performance of City employees in the conduct of public project work and other City business, and to prevent potential conflicts of interest.

Section 2: <u>Definitions</u>. Definitions as used in this chapter unless additional meaning clearly appears from the content, shall have the meaning subscribed:

- A. "Employee" means any person holding a regularly compensated position of employment with the City of Kirkland but does not include members of the City Council and persons who serve without compensation on City boards and commissions.
- B. "Interest" means direct or indirect monetary or material benefit accruing to a City employee as a result of a contract or transaction which is or may be the subject of an official act or action by or with the City, except for such contracts or transactions which confer similar benefits to all other persons and/or property similarly situated. For the purpose of this chapter, an employee shall be deemed to have an interest in the affairs of:
 - Any person of the employee's family or any person with whom the employee has a close or ongoing business or social relationship;
 - 2. Any business entity in which the City employee is an officer, director, or employee;
 - 3. Any business entity in which the stock, or legal or beneficial ownership, in excess of five percent (5%) of the total stock, legal or beneficial ownership, is controlled or owned directly or indirectly by the employee;
 - 4. Any person or business entity with whom a contractual relationship exists with the employee, provided that a contractual obligation of less than \$500, or a commercially reasonable loan made in the ordinary course of business or a contract for a commercial retail sale shall not be deemed to create an interest in violation of this chapter.

Section 3: Use of Public Property. No City employee shall request or permit the use of City-owned vehicles, equipment, materials or property for personal convenience or profit. Use is to be restricted to such services as are available to the public generally or for the authorized conduct of official business, and for such purposes as and under such conditions as are directed by the City Manager.

Section 4: Conflict of Interest. No City employee shall engage in any act which is in conflict with, or creates an appearance of conflict with, the performance of official duties. An employee is deemed to have a conflict of interest if the employee:

- A. Receives or has any financial interest in any sale to the City of any service or property when such financial interest was received with prior knowledge that the City intended to purchase such property or obtain such service;
- B. Solicits, accepts or seeks anything of economic value as a gift, gratuity, or favor from any person, firm or corporation involved in a contract or transaction which is or may be the subject of official action of the City; provided, that the prohibition against gifts or favors shall not apply to:
 - 1. Attendance of an employee at a hosted meal when it is provided in conjunction with a meeting directly related to the conduct of City business or where official attendance by the employee as a staff representative is appropriate.
 - An award publicly presented in recognition of public service; or
 - Any gift which would have been offered or given to the employee if he or she were not a City employee;
- C. Participates in his or her capacity as a City employee in the making of a contract in which he or she has a private pecuniary interest, direct or indirect, or performs in regard to such a contract some function requiring the exercise of discretion on behalf of the City;
- D. Influences the City's selection of, or its conduct of business with, a corporation, person or firm having business with the City if the employee has financial interest in or with the corporation, person or firm;
- E. Engages in, accepts private employment from or renders services for private interest when such employment or service is incompatible with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of official duties;

- F. Appears on behalf of a private person, other than his or herself or an immediate family member or except as a witness under subpoena, before any regulatory governmental agency or court of law in an action or preceeding to which the City or a City officer in an official capacity is a party, or accepts a retainer or compensation that is contingent upon a specific action by the City;
- G. Discloses or uses, without legal authorization, confidential information concerning the property or affairs of the City to advance a private interest with respect to any contract or transaction which is or may be the subject of official action of the City;
- H. Has a financial or personal interest in any legislation coming before the City Council and participates in discussion with or gives an official opinion to the City Council unless the employee discloses on the record of the Council the nature and extent of such interest;
- I. Holds, directly or indirectly, for purposes of personal financial gain, investment or speculation, any interest in real property situated within the City, if such employee in the course of his or her official duties performs any function requiring the exercise of discretion on behalf of the City in regard to the regulation of land use or development; provided, that this prohibition shall not apply to:
 - Real property devoted to the personal use or residence of the employee or member of the employee's immediate family; or
 - Any other interest in real property held by the employee on the date of enactment of this chapter.

Section 5: Nothing in this ordinance shall be construed to permit, condone or allow any activity or practice prohibited by RCW Chapter 42.20 or RCW Chapter 42.23 relating to conflicts of interest, improper practices, and codes of ethics for public officials and employees.

<u>Section 6:</u> This ordinance shall be in force and take effect five days from and after its passage and posting or publication as required by law.

PASSED by majority vote of the Kirkland City Council in regular, open meeting this 6 day of August , 1984.

SIGNED IN AUTHENTICATION thereof this <u>sixth</u> day of August , 1984.

Noves Cooper

Director of Administration & Finance (ex officio City Clerk)

Approved as to Form:

I hereby certify under penalty of perjury that the foregoing ordinance was posted on the seventh day of August , 194 in accordance with the provisions of RCW 35A.12.160 and City of Kirkland Ordinance No. 2600.

Deputy City Clerk

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