

Introduced by: Dimmick  
Date: March 6, 1979  
Hearing: April, 3, 1979  
Vote: 9 Yes ; 117 No  
Action: Failed setting for hearing

KENAI PENINSULA BOROUGH

ORDINANCE 79-8

PROVIDING FOR THE DISCLOSURE AND REGULATION OF POTENTIAL  
CONFLICTS OF INTEREST ARISING FROM THE ACTIVITIES OF  
CERTAIN BOROUGH PERSONNEL.

WHEREAS, the State of Alaska has required by statute  
that certain elected and appointed personnel file annual  
conflict of interest statements and refrain from acting  
upon matters where potential conflicts of interest might  
arise; and

WHEREAS, it is desirable that the public be assured  
that public officials in their official acts are free from  
the influence of undisclosed private or business interests;  
and

WHEREAS, it is desirable to develop accountability in  
Borough government at all levels by permitting public access  
to information necessary to judge the performance of those  
employed in and appointed to positions of public trust; and

WHEREAS, the public has a right to know the financial  
and business interests of persons who are employed in  
positions of public trust;

NOW THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE  
KENAI PENINSULA BOROUGH:

Section 1. That the Kenai Peninsula Borough Code of  
ordinances is hereby amended by adding a new chapter, to be  
numbered 2.56, which shall read as follows:

CHAPTER 2.56

CONFLICTS OF INTEREST

2.56.010 Purpose. The purpose of this ordinance is  
to insure that public employees in their official acts are

free from the influence of undisclosed financial or business interests, to discourage public employees from acting upon a private financial or business motive in the performance of a public duty, and to develop public confidence in persons employed by the Borough through public disclosure of the business and financial interests of employees and officials covered by this chapter. This ordinance is applicable only to salaried non-elected Borough employees.

2.56.020 Registration of Vendors and Bidders A. All persons, corporations, partnerships or other business enterprises that desire to sell services or goods to the Borough or to bid upon any contract to be let by the Borough shall register with the Clerk and shall note its business or corporate name, the form of business association, the name of each principal, partner, or principal shareholder (a person holding or having beneficial interest in 10% or more of the stock in the concern) the number of the business license issued by the State of Alaska to the registrant, and the nature of the registrant's goods or services. The registration with the Clerk shall include a copy of the approved Articles of incorporation and evidence that the enterprise is registered to do business in the State of Alaska, and that the enterprise has paid all of its current taxes, license fees, and complied with all regulatory requirements for such enterprise.

B. The Clerk shall compile an official list of bidders and an official list of vendors who have registered with the Clerk as of January 1 of each year. A potential bidder or vendor who has not previously registered but who desires to bid upon a contract to be let or to supply goods or services to the Borough shall register with the Clerk at least 5 business days prior to the Borough's purchase of any goods or services from that vendor or the award of any contract to that bidder by the Borough.

C. The Borough shall not purchase any goods or services from, or award any contract to, a vendor or bidder who has not fully and properly registered with the Clerk.

D. All information supplied to the Clerk by a vendor or bidder shall be public information and available for inspection and copying by the general public during normal business hours.

2.56.030 Report of Financial and Business Interests of Borough Employees. A. All Borough employees exercising supervisory, managerial, or professional duties or who are responsible for the administration of any program for the

purchase of goods or services, or for the administration of contracts between the Borough and private parties, shall file with the Borough Clerk a statement disclosing all financial and business interests in any proprietorship, corporation, partnership or other business enterprises which is registered with the Clerk, or which supplies from time to time goods or services to the Borough.

B. After the effective date of this chapter, no Borough employee may exercise his or her duties or draw salary, expenses or per diem until the required disclosure statement is properly completed and on file with the Clerk.

C. Each Borough employee required to file a financial disclosure under this chapter shall supplement promptly the disclosure statement on file with the Clerk as business or financial interests are acquired or terminated.

D. All financial disclosure statements on file with the Clerk are public information which may be examined and photo copied by the general public during normal business hours.

2.56.040 Information which must be Disclosed. A. Each employee covered by this chapter must disclose the information required by Section 2.56.040 (B). Each person affected by this chapter must include in his disclosure statement all pertinent financial and business interests as set forth in Section 2.56.040(B), which are held by, or benefit any members of his or her immediate family who reside with the employee.

B. The following financial and business interests shall be disclosed by Borough employees and members of Borough boards or commissions affected by this chapter:

- (1) All sources of income in excess of \$500 per year, although the amount or estimated amount of income need not be disclosed.
- (2) The identity, by name, address, and nature of business, of each business in which an affected Borough employee or official or member of his or her immediate family was a stockholder, owner, officer, director, partner, proprietor, or employee during the preceding calendar year.
- (3) The identity and nature of each interest in any business which is, or which is contemplating becoming, a vendor to the Borough of goods or services or which is a potential bidder on a contract to be let by the Borough.

- (4) The identity and nature of each interest in real property, including an option to buy, owned by the affected employee or official or member of his or her immediate family.
- (5) The identity of each trust or other fiduciary relation in which the employee or official, or member of his or her immediate family, held a beneficial interest in the preceding year, including a description and identification of the property contained in each trust and the nature and extent of the beneficial interest.
- (6) Any loan or loan guarantee made to the employee or official, or member of his or her immediate family, including the identity of the maker of the loan or loan guarantee and the identity of each creditor to whom the employee or official, or member of his immediate family, owed \$500 or more, excluding retail charge accounts and revolving credit accounts. The amount of the loan or loan guarantee need not be disclosed.

C. Each employee shall notify the Mayor and the Clerk promptly and in writing of any circumstances where the performance of the employee's duties are likely to affect any outside financial interests of that employee as set forth in Section 2.56.040(B). Unless excused in writing by the Mayor, the employee shall refrain from further action upon any matters giving rise to a conflict of interest or to the appearance of a conflict of interest. In furtherance of a private financial interest, an employee shall not utilize any information gained in the course of Borough employment if that information is not readily available to the general public.

D. No employee who is covered by this chapter shall decide or attempt to influence any official action of the Borough which would benefit business or financial interests of the employee or official or members of his immediate family.

E. Violation of this ordinance shall be a misdemeanor punishable by a fine not to exceed \$500 or by imprisonment not to exceed 30 days or by both and by dismissal from all Borough positions.

2.56.050 Disclosure of Contracts and Purchase Orders.  
Whenever a contract for services is entered into with any person, firm or corporation or partnership which has as an

officer, proprietor, "principal shareholder" officer or member of the board of directors, an employee of the Borough, or a relative of such persons employed by or serving the Borough, the award of such contract, or purchase order, or other business transaction shall be entered of record and served upon the Borough Clerk who shall publish such notification in the next packet of the assembly.

Section 3. That this ordinance takes effect 60 days after enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH  
ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 1979.

\_\_\_\_\_  
JoAnn Elson, Assembly President

ATTEST:

\_\_\_\_\_  
Borough Clerk

