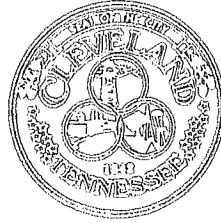


City of Cleveland

CLEVELAND, TENNESSEE

Office of the City Manager



Joe Cate
City Manager
(423) 559-3352
(423) 559-3337 Fax

Cleveland Municipal Building
190 Church Street, N.E.
P.O. Box 1519
Cleveland, TN 37364-1519

March 29, 2007

Tennessee Ethics Commission
Sun Trust Bank Building
201 4th Avenue, N.
Suite 1820
Nashville, TN 37243

Dear Sirs:

The City of Cleveland City Council approved an Ethics Ordinance on March 26, 2007. A copy of the ordinance is enclosed. The ordinance is identical to the MTAS Model Ordinance.

Please call me if you need additional information.

Sincerely Yours,

A handwritten signature in black ink, appearing to read "Joe Cate", is written over the typed name.

Joe Cate
City Manager

CC: Harlen Painter, City Attorney

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ETHICS COMMISSION

ORDINANCE NO. 2006-49

AN ORDINANCE OF THE CITY OF CLEVELAND, TENNESSEE, PROVIDING THAT THE CODE OF ORDINANCES, CITY OF CLEVELAND, TENNESSEE, BE AMENDED BY REVISING TITLE 20, OF SAID CODE TO ADD A NEW CHAPTER CONCERNING A MUNICIPAL CODE OF ETHICS

WHEREAS, Public Chapter No. 1 of the Extraordinary Session of the 2006 Tennessee General Assembly requires municipalities to adopt a code of ethics by ordinance; and

WHEREAS, a municipal ethics ordinance must be adopted by July 1, 2007, or members of the municipal governing body will be subject to ouster; and

WHEREAS, Public Chapter No. 1 charged the Municipal Technical Advisory Service (MTAS) to develop model ethical standards for municipalities; and

WHEREAS, municipalities are not required to adopt the MTAS model ordinance, but if a municipality does not, then it must create its own ordinance; and

WHEREAS, municipalities that elect to adopt the MTAS model ordinance are only required to adopt the model ordinance and notify the Tennessee Ethics Commission of the date of the adoption of the model ordinance; and

WHEREAS, the City Council of the City of Cleveland, Tennessee, desires to adopt the MTAS model ethics ordinance rather than create its own ethics ordinance.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Cleveland, Tennessee:

SECTION 1. That Title 20 of the Code of Ordinances of the City of Cleveland, Tennessee, be amended by adding a new Chapter to be numbered Chapter 13 of said Code to be titled "Code of Ethics":

Title 20, Chapter 13. Code of Ethics.

SECTION 20-1301. Applicability. This chapter is the code of ethics for personnel of the municipality. It applies to all full-time and part-time elected or appointed officials and employees, whether compensated or not, including those of any separate board, commission, committee, authority, corporation, or other instrumentality appointed or created by the municipality. The words "municipal" and "municipality" include these separate entities.

SECTION 20-1302. Definition of "personal interest."

(1) For purposes of Section 20-1303 and 20-1304, "personal interest" means:

- (a) Any financial, ownership, or employment interest in the subject of a vote by a municipal board not otherwise regulated by state statutes on conflicts of interests; or**
- (b) Any financial, ownership, or employment interest in a matter to be regulated or supervised; or**
- (c) Any such financial, ownership, or employment interest of the official's or employee's spouse, parent(s), stepparent(s), grandparent(s), sibling(s), child(ren), or stepchild(ren).**

(2) The words "employment interest" include a situation in which an official or employee or a designated family member is negotiating possible employment with a person or organization that is the subject of the vote or that is to be regulated or supervised.

(3) In any situation in which a personal interest is also a conflict of interest under state law, the provisions of the state law take precedence over the provisions of this chapter.

SECTION 20-1303. Disclosure of personal interest by official with vote. An official with the responsibility to vote on a measure shall disclose during the meeting at which the vote takes place, before the vote and so it appears in the minutes, any personal interest that affects or that would lead a reasonable person to infer that it affects the official's vote on the measure. In addition, the official may recuse himself from voting on the measure.

SECTION 20-1304. Disclosure of personal interest in non-voting matters. An official or employee who must exercise discretion relative to any matter, other than casting a vote, and who has a personal interest in the matter that affects or that would lead a reasonable person to infer that it affects the exercise of the discretion shall disclose, before the exercise of the discretion when possible, the interest on a form provided by and filed with the City Clerk. In addition, the official or employee may, to the extent allowed by law, charter, ordinance, or policy, recuse himself or herself from the exercise of discretion in the matter.

SECTION 20-1305. Acceptance of gratuities, etc. An official or employee may not accept, directly or indirectly, any money, gift, gratuity, or other consideration or favor of any kind from anyone other than the municipality:

- (1) For the performance of an act, or refraining from performance of an act, that he or she would be expected to perform, or refrain from performing, in the regular course of his duties; or**
- (2) That might reasonably be interpreted as an attempt to influence his or her action, or reward him or her for past action, in executing municipal business.**

SECTION 20-1306. Use of information.

- (1) An official or employee may not disclose any information obtained in his or her official capacity or position of employment that is made confidential under state or federal law except as authorized by law.
- (2) An official or employee may not use or disclose information obtained in his or her official capacity or position of employment with the intent to result in financial gain for himself or herself or any other person or entity.

SECTION 20-1307. Use of municipal time, facilities, etc.

- (1) An official or employee may not use or authorize the use of municipal time, facilities, equipment, or supplies for private gain or advantage to himself or herself .
- (2) An official or employee may not use or authorize the use of municipal time, facilities, equipment, or supplies for private gain or advantage to any private person or entity, except as authorized by legitimate contract or lease that is determined by the governing body to be in the best interests of the municipality.

SECTION 20-1308. Use of position or authority.

- (1) An official or employee may not make or attempt to make private purchases, for cash or otherwise, in the name of the municipality.
- (2) An official or employee may not use or attempt to use his or her position to secure any privilege or exemption for himself or herself or others that is not authorized by the charter, general law, or ordinance or policy of the municipality.

SECTION 20-1309. Outside employment. An official or employee may not accept or continue any outside employment if the work unreasonably inhibits the performance of any affirmative duty of the municipal position or conflicts with any provision of the municipality's charter or any ordinance or policy.

SECTION 20-1310. Ethics complaints.

- (1) The city attorney is designated as the ethics officer of the municipality. Upon the written request of an official or employee potentially affected by a provision of this chapter, the city attorney may render an oral or written advisory ethics opinion based upon this chapter and other applicable law.
- (2) (a) Except as otherwise provided in this subsection, the city attorney shall investigate any credible complaint against an appointed official or employee charging any violation of this chapter, or may undertake an investigation on his or her own initiative when he or she acquires information indicating a possible violation and make recommendations for action to end or seek retribution for any

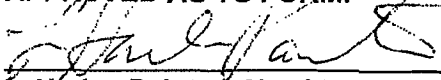
activity that, in the attorney's judgment, constitutes a violation of this code of ethics.

- (b) The city attorney may request that the governing body hire another attorney, individual, or entity to act as ethics officer when he or she has or will have a conflict of interests in a particular matter.
 - (c) When a complaint of a violation of any provision of this chapter is lodged against a member of the municipality's governing body, the governing body shall either determine that the complaint has merit, determine that the complaint does not have merit, or determine that the complaint has sufficient merit to warrant further investigation. If the governing body determines that a complaint warrants further investigation, it shall authorize an investigation by the city attorney or another individual or entity chosen by the governing body.
- (3) The interpretation that a reasonable person in the circumstances would apply shall be used in interpreting and enforcing this code of ethics.
 - (4) When a violation of this code of ethics also constitutes a violation of a personnel policy, rule, or regulation, the violation shall be dealt with as a violation of the personnel provisions rather than as a violation of this code of ethics.

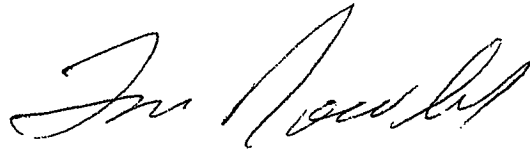
SECTION 20-1311. Violations. An elected official or appointed member of a separate municipal board, commission, committee, authority, corporation, or other instrumentality who violates any provision of this chapter is subject to punishment as provided by the municipality's charter or other applicable law and in addition is subject to censure by the governing body. An appointed official or an employee who violates any provision of this chapter is subject to disciplinary action.

SECTION 2. That this Ordinance shall be effective from and after its passage on final reading, the public welfare requiring it.

APPROVED AS TO FORM:



L. Harlen Painter, City Attorney



Tom Rowland, Mayor



Michael L. Keith, City Clerk