

Chairperson Teager called the meeting to order at 6:00 P.M.

ROLL CALL:

- Members Present - Michael Teager, Chairperson
Amy Carpenter
Rodney Montgomery
Lawrence Kavanaugh, Jr.
Jon Minear, Deputy Town Attorney
- Absent - Tina Hawthorne, Town Attorney
Amy Kobler, Town Clerk
Teresa Funk

MINUTES TO BE APPROVED

Motion by Chairperson Teager, seconded by Ms. Carpenter, to approve Minutes of the March 3, 2021 meeting.

Ayes: All

Noes: None

Motion Carried

COMMUNICATIONS

▪ **Contractor disclosure forms**

Chairperson Teager stated he will be meeting with the Supervisor's Office, Finance Department, and Town Attorney regarding the collection and management of independent contractor disclosure statements and believes involving Department Heads in the process is not necessary as they are not involved in the contract process.

Deputy Town Attorney Minear questioned if a list of vendors was obtained from Finance Director Wnek. Chairperson Teager stated he received a list that appears to be vendors that invoiced the town in 2020; it is not clear if they are all current vendors.

Chairperson Teager stated he would like to establish a process which requires the Ethics Board to receive a copy of independent contractor disclosure statements as contracts are executed. Mr. Minear asked if all contracts involve the Town Attorney's office. Chairperson Teager stated he will get confirmation during the upcoming meeting as including the disclosure statement in the contract process would be ideal. Mr. Minear agreed, and the Ethics Board should be copied with the disclosure statements.

Mr. Kavanaugh referred to the independent contractor disclosure statements, stating a conflict other than an ownership interest could exist, for example, compensation tied to a contract, using the example of a truck salesman selling a vehicle to the town and making a commission. Ms. Carpenter stated the individual that is in direct contact with the town should be completing the disclosure form. Mr. Minear agreed the contact person for a vendor would be more likely to have a conflict than the owner and should complete a disclosure statement. Mr. Minear stated the independent contractor disclosure statement is limited to people who have ownership interest and questioned the existence of another form that addresses their employees. Ms. Carpenter stated a form for independent contractors' employees was not established.

Mr. Kavanaugh clarified his concern is not with town employees, but with the employees of independent contractors. Ms. Carpenter and Mr. Montgomery agreed that Department Heads, not their employees, are responsible for purchasing decisions and are required to provide an annual individual disclosure statement. Upon review of the Ethics Code, it was confirmed that town employees are not required to provide a disclosure statement.

Mr. Kavanaugh questioned where the Ethics Code requires outside "vendors" to provide a disclosure statement. Chairperson Teager stated "independent contractors" are required to provide one and addressed the need for clarification between "independent contractors" and "vendors." For example, Chairperson Teager questioned which category Verizon would fall under. Mr. Minear asked how the town pays Verizon, Ms. Carpenter stated Verizon invoices the town. Mr. Minear stated Verizon would qualify as a vendor whereas an independent contractor would be a "1099."

Mr. Kavanaugh read §13-5, Item C of the Ethics Code regarding independent contractors and expressed confusion with footnote No. 3 on the form. Mr. Minear advised the board they may make changes to the forms. Ms. Carpenter stated she can update the form to add the word "above" to this footnote: "See footnote 1 above." Mr. Montgomery questioned if the form should be changed to include vendors. Ms. Carpenter stated vendors might be too broad as it would include utilities. Chairperson Teager agreed that choices for utility providers are limited and would not need to be included.

Mr. Kavanaugh suggested adding a separate section to the form for commission disclosures and referred to strict rules of disclosure in the financial industry. Mr. Kavanaugh will research this and provide more information at a future meeting.

Secretary Martin referred to the town's procurement policy for the board members to review.

EXECUTIVE SESSION

Motion by Chairperson Teager, seconded by Ms. Carpenter, to enter into executive session to review disclosure forms, as they pertain to past employment history, future employment plans, employment history of a corporation or limited liability company, and/or matters that may lead to the employment, demotion, discipline, suspension, dismissal, or removal of a particular person or business entity.

Ayes: All

Noes: None

Motion Carried

ADJOURNMENT

Motion by Chairperson Teager, seconded by Mr. Kavanaugh, to adjourn the meeting at 6:53 P.M.

Ayes: All

Noes: None

Motion Carried



Margaret A. Martin
Deputy Town Clerk/Secretary to the Ethics Board