

## Opinion No. 94-05

### BEFORE THE NEVADA COMMISSION ETHICS

#### IN THE MATTER OF THE OPINION REQUEST REGARDING FRANK HAWKINS, JR., Las Vegas City Councilman

This Opinion is in response to an opinion request of February 11, 1994, by Jim Hulse, Chairman of the Governing Board of Common Cause-Nevada concerning Las Vegas City Councilman, Frank Hawkins, Jr. Mr. Hulse requested that the Nevada Commission on Ethics ("Commission") determine whether Frank Hawkins violated state ethics laws by: (1) failing to disclose personal business loans with Anchor Coin Company (Anchor Coin) before twice voting in his public capacity as a Las Vegas City Councilman to approve for Anchor Coin two slot-operator lease locations in Las Vegas; and (2) soliciting the participation of companies and individuals who have business or other matters with the City of Las Vegas in a personal for-profit celebrity golf tournament by Mr. Hawkins.

On March 21, 1994, the Commission determined that it had jurisdiction over the opinion request pursuant to the provisions of NRS 281.511(2). On May 19, 1994, the Commission held a preliminary administrative hearing in Las Vegas, Nevada to determine whether just and sufficient cause existed for the Commission to conduct a full hearing on the merits of the opinion request and issue an opinion pursuant to the provisions of NRS 281.511 (2) and (5). Mr. Hawkins and Mr. Hulse were duly noticed and appeared at the hearing. Richard Wright appeared as legal counsel on behalf of Mr. Hawkins. At the conclusion of the hearing the Commission determined that there was just and sufficient cause for the Commission to proceed to a full hearing on the merits of the request.

A hearing on the merits of the request was held in Las Vegas on September 6, 1994, and September 28, 1994. Mr. Hawkins was present on both dates and represented by his attorney, Richard Wright. The Commission heard testimony from Frank Hawkins and Jim Hulse. Also testifying were David R. Spencer and Richard E. Whittaker of the *Advantage Group*, a private investigation firm; Chester Richardson; John L. Goolsby, President and Chief Executive of the Summa Corporation; Kenneth R. Wynn, President of Atlandia Design; Barry Shier, President of the Golden Nugget Hotel & Casino; Marc Rubenstein, Vice President and General Counsel to Caesar's Palace; Brian Ingrande, Executive Director of Player Development at the Riviera Hotel & Casino, accompanied by his counsel, Tullio Marchionne; and Allen Jones, General Manager and Director of Golf at Summerlin's Tournament Players Club in Las Vegas.

The hearings were confidential pursuant to the provisions of NRS 281.511(4) and therefore not open to the public. However, in light of the significant publicity concerning Mr. Hawkins' past conduct regarding these matters, and more importantly, because the rationale in this opinion may be important to other public officials and employees, the Commission believes that this Opinion should be made public pursuant to the authority granted to the Commission in NRS 281.511(4)(f).

At the conclusion of the hearing on September 28, 1994, the Commission closed the administrative record and now makes the following Findings and renders the following Opinion.

#### FINDINGS

1. The Commission has jurisdiction over this matter pursuant to the provisions of NRS 281.511(2).
2. Frank Hawkins was elected to the Las Vegas City Council in 1991 and in that capacity is a public officer as defined in NRS 281.4365(1).
3. Mr. Hawkins formerly played for the Los Angeles Raiders professional football team and in that capacity participated in the 1984 Super Bowl. Since his first year in the professional football league in 1981, Mr. Hawkins worked with casinos promoting superbowl activities and other special events and earned money doing so.
4. In July 1990, before his election to the city council, Mr. Hawkins entered a five-year lease for property located in Us Vegas to operate "Hawkins' Sports Lounge" (Lounge). The Lounge was owned by "Live Your Dreams, Inc." of which Mr. Hawkins was the sole shareholder and officer.

5. In February 1990, Mr. Hawkins obtained two loans, one for \$140,000 and the other for \$60,000 from Anchor Coin, a gaming route distributor, to construct and furnish the Lounge, install slot and video machines, and obtain a liquor license which was subsequently granted by the City of Las Vegas. The promissory notes for the loans, each with a 12 percent interest rate, were signed and personally guaranteed by Mr. Hawkins. Both were secured by the Lounge and its assets. The loans were to be repaid over a five-year period or until repayment of the loans was satisfied.
6. Frank Hawkins and Anchor Coin agreed that in exchange for installing and filling the machines with coins, or seed money, Anchor would take 40 percent of the drop from the Lounge's slot machines on a weekly basis. Of the remaining money from the slot machines drop, 50 percent was applied to repayment of the loans and the balance went to Mr. Hawkins. Upon repayment, Anchor Coin would continue to maintain the slot machines and take 40 percent share of the profits from the machines.
7. The Las Vegas City Council has jurisdiction to decide whether or not to grant individuals or companies licenses to engage in gaming operations and install or lease slot machines within its geographical boundaries. NRS 266.355(1)(a) and 463.190(1).
8. On October 6, 1992 and December 16, 1992, Anchor Coin's request for approval for installation and space leasing arrangements with two Las Vegas supermarkets, Smith's Food & Drug Centers (Smith's), and Albertson's Food & Drug Stores (Albertson's), came before the city council on the consent agenda. Anchor Coin's application to install 15 slot machines in Smith's new grocery store was unanimously approved by city council members on October 6, 1992, with no discussion. Anchor Coin's application to relocate the 15 slots it operated at Albertson's to Albertson's new store location across the street was unanimously approved by the city council on December 16, 1992, with no discussion. Mr. Hawkins voted on Anchor Coin's two requests involving slot machine operations at Smith's and Albertson's supermarkets on October 6, 1992 and December 16, 1992, without disclosing that he had two business loans from Anchor Coin for which he was personally liable.
9. In December 1993, Mr. Hawkins closed, and in March 1994 sold, his sports lounge and paid off his debts to Anchor Coin in their entirety.
10. On January 31, 1994, Mr. Hawkins hosted the "First Annual Frank Hawkins Super bowl Golf Tournament," which was a personal profit business venture organized by Mr. Hawkins and held at Summerlin's Tournament Players Club (TPC), a private country club in Las Vegas. Participants were invited to play a round of golf with professional athletes at a cost of \$1,000 a participant, or \$4,000 per company-sponsored foursome.
11. On January 28, 1994, a business license to hold the event was issued to Mr. Hawkins by the City of Las Vegas.
12. As required by TPC rules, a member of the TPC must sponsor the event. In this case, TPC member Dick Oshins sponsored non-member Hawkins' use of the TPC. Mr. Hawkins was charged the club's customary charges to hold the golf tournament at TPC.
13. Between 100 and 150 companies, hotels, casinos, and individuals were solicited to attend the tournament. Mr. Hawkins personally prepared a list of 29 casinos to be invited to the tournament. Other invitees included Mr. Hawkins' friends, Las Vegas developers, consultants, slot route companies and others, some of whom did business with the City of Las Vegas.
14. Mr. Hawkins had two staff persons working on the golf tournament: Chester Richardson, a friend who had worked on Mr. Hawkins' political campaign, and Jack Doyle, who served as treasurer for the event. Mr. Richardson was responsible for completing the invitation list and preparing and mailing solicitation letters, invitations and registration forms for the tournament. Approximately 100 to 150 invitations were sent out with accompanying registration forms.
15. The cover sheet to the invitation contained a logo depicting golf clubs and tees with the statement: "Your personal invitation from Frank Hawkins . . . 1st Annual Frank Hawkins 'Superbowl' Golf Tournament at the Tournament Players Club at Summerlin." The invitation letter solicited participants with the following language:

**Frank Hawkins Jr.  
717 N. Rancho Road  
Las Vegas, NV 89107**

Hello,

This is a formal invitation to personally invite you to the First Annual Frank Hawkins "Superbowl Golf Tournament" on Monday, January 31, 1994.

The tournament is a scramble format that will take place at the challenging and exciting Tournament Players Club at Summerlin. Commencement time is 12:00 noon. Prior to the 12:00 noon kickoff, a luncheon will be provided and refreshments will be available throughout the Tournament.

There will be an array of professional football players participating in this event. The tournament will feature 26 teams of five players. Each team will have a professional athlete as one of their members. Fivesomes must include an A, B, C, and D player with handicaps of 1-10, 11-18, 19-26, or 27 and above, respectively.

Due to the excitement surrounding this Tournament, registration will be on a first come basis. I am, therefore, personally writing to you for sponsorship of your foursome. This golf tournament will be the highlight of the Las Vegas Superbowl Weekend and your support of a foursome will insure our success.

Foursome sponsorship is \$4,000.00 which includes a Tournament Event, prominent signage, an entry package for four players, golf carts, greens fees, lunch and dinner.

There will be valuable prizes given to all players, as well as prizes for First, Second, Third and Fourth place. The award ceremonies will take place at approximately 5:30 p.m. during our Wild Game Barbecue Feast. Awards will also be given for the Putting Contest, Hole-in-One Contest, Longest Drive Contest, and Nearest to Par Contest.

***You won't want to miss this tournament!*** See you there.

Sincerely,

Frank Hawkins Jr.

16. The registration form which accompanied the invitation indicated that certain celebrities had been selected to attend the event. This portion of the registration form read:

### **OUR FIRST ROUND PICKS TO PLAY GOLF**

HOWIE LONG · MARCUS ALLEN · BO JACKSON · JOE MONTANA · TED HENDRICKS · JIM KELLY · STEVE YOUNG · JOHN ELWAY · DON MORENO · TIM BROWN · MATT MILLEN · BILL WALSH · JERRY ROBINSON · MAGIC JOHNSON · LESTER HAYES · TORY AIKMAN · RANDALL CUNNINGHAM · WARREN MOON · BOOMER EASION · KENNY KING · KENNY STABLER · JIM OTTO · GEORGE BLANDA · JIM PLUNKET · TOM FLORES · ROD MARTIN · WALTER PAYTON · JIM BROWN · DAVID CASPER

17. An affirmative response to the invitation required the registrant to make payment in the amount of \$4,000 to sponsor a foursome, or \$1,000 to participate individually. The costs included an entry package consisting of green

fees, golf cart, luncheon, on course refreshments, awards dinner (wild game barbecue feast), and valuable prizes for all players. Registrants were directed to make their checks payable to:

**FRANK HAWKINS SUPERBOWL GOLF TOURNAMENT**

Jack Doyle, Treasurer  
Post Office Box 28818  
Las Vegas, NV 89126

18. Mr. Richardson also made follow-up phone calls and sent follow-up letters to invitees who had not responded to the first mailings. The follow-up letters were signed by Mr. Hawkins as "Frank Hawkins, Jr." and dated December 10, 1993. On top of the follow up letters was a golf club logo and the phrase: "1st Frank Hawkins' 'Superbowl' Golf Tournament." The letter read as follows:

Dear

I haven't heard from you regarding your participation in the *First Annual Frank Hawkins "Superbowl" Gold (sic) Tournament*.

The Superbowl weekend is the biggest event of the year. Enrolling your High rollers in this tournament is an excellent way of extending their stay for an additional day.

Time is of the essence. Please confirm your participation and the date I can expect your check. I would appreciate hearing from you by Friday, Dec. 17th.

Again, happy holidays; I'm looking forward to seeing you at the *First Annual Frank Hawkins "Superbowl" Golf Tournament on January 31, 1994*.

Sincerely,

Frank Hawkins, Jr.

19. Daniel Wade, Sr. Vice President of MGM, received a mailed invitation which he forwarded to MGM President Robert Maxey who approved two spots in the tournament for sponsorship. The MGM is not within the city limits of Las Vegas, does m business with the City of Las Vegas nor does it have matters that regularly come before the city council.

20. Marc Rubenstein, Vice President and General Counsel for Caesar's Palace - Las Vegas, received an invitation and flier soliciting attendance at Mr. Hawkins' golf tournament. Mr. Rubenstein originally purchased space for a foursome in the event but requested return of his fee prior to the tournament based on lack of participant interest. Caesar's Palace is licensed by Clark County, Nevada, and has no business with the City of Las Vegas or the city council, as it is located and operates outside of the city's geographical boundaries.

21. Brian Ingrande was Director of Casino Events at the Riviera Casino at the time of the tournament. As such, Mr. Ingrande staged events to stimulate guest interest and participation. The Riviera had sponsored golf charity events in the past and Mr. Ingrande had worked with sports celebrities. The Riviera was also often involved in "good will" activities in which the hotel would exchange rooms and prizes with sponsors of such events. On the Saturday prior to the 1994 Super Bowl, the Riviera held a "Superbowl Scramble Golf Tournament." After receiving an invitation to Frank Hawkins' tournament in the mail, Mr. Ingrande received a follow-up phone call from Jack Doyle, suggesting that since Hawkins would soon be hosting a similar event, it would be mutually beneficial for the Riviera and Mr. Hawkins to work together and trade-off rooms, food, and beverages for spots in Hawkins' tournament. The Riviera agreed to provide 20 to 25 complimentary rooms in the hotel for use by athletes in Mr. Hawkins' golf tournament in exchange for eight spots for Riviera employees and guests in Mr. Hawkins' tournament. No cash was exchanged. Mr. Ingrande arranged for five to seven athletes participating in Riviera Super Bowl events to participate in the Hawkins tournament and 11 Riviera rooms were used by Hawkins' celebrity players. The Riviera is not within the city limits of Las Vegas, does no direct business with the city and does not have matters that regularly come before the city council for consideration.

22. Barry Shier, President of the Golden Nugget, also received a letter and invitation in the mail announcing the tournament. In January 1994, Mr. Shier's secretary received a telephone call from Chester Richardson, inquiring as to whether the Golden Nugget planned to participate in the tournament. Mr. Shier also received a personal follow-up phone call from Mr. Hawkins. The Golden Nugget sponsored a foursome in the tournament. The Golden Nugget is within the city limits of Las Vegas, and as a business and a casino, may predictably have business or gambling-related matters which may come before the city council for consideration, such as gaming expansion or building permits.

23. The Golden Nugget is physically located on a section of Freemont Street in downtown Las Vegas which is included in a \$63 million redevelopment project called the "Freemont Street Experience." The project involves a revitalization of downtown Las Vegas including installation of a parking garage, retail space, pedestrian walkways, and landscaping. The Freemont Street Experience is a result of a tri-party agreement between the City of Las Vegas, the City of Las Vegas Downtown Redevelopment Agency and the Freemont Street Experience Limited Liability Company. Each party is responsible for funding a portion of the \$63 million project. The Freemont Street Experience Company is a private company whose limited partners are persons downtown with hotels and casino interests including Barry Shier from the Golden Nugget. Mr. Shier appeared before the city council on September 1, 1994, when the Las Vegas City Council was considering the terms of the tri-party agreement and the manner in which the management fee would be paid under the agreement.

24. In December 1993, Kenneth R. Wynn, President of Atlandia Design, an architectural firm and general contractor whose parent company is Mirage Resorts, Inc., received a telephone call from an unidentified representative of Mr. Hawkins' golf tournament. A follow-up letter and entry form subsequently arrived, in the mail.

25. Mr. Wynn is also the project manager for the Freemont Street Experience Company. The Freemont Street Experience Company is responsible for all aspects of development and construction of project, the cities downtown redevelopment improvement project, including complying with the city's wage and minority hiring policies. Mr. Wynn knew Mr. Hawkins personally at the time he received an invitation to the golf tournament. Mr. Wynn had telephone conversations with Mr. Hawkins in which Mr. Hawkins encouraged Mr. Wynn to hire minorities for the project and directed specific contractors to call Mr. Wynn to discuss being hired on to the project. Prior to making the decision to participate in the tournament, Mr. Wynn consulted with Barry Shier, of the Golden Nugget which is also subsidiary of Mirage Resorts, Inc. Mr. Shier told Mr. Wynn that the Golden Nugget was going to sponsor a foursome in the event and Mr. Wynn decided to do likewise. Mr. Wynn did not personally attend the event. As project manager for the Freemont Street Experience Company, Mr. Wynn had, and will continue to have, business interactions with the City of Las Vegas and the city council.

26. John L. Goolsby, President and Chief Executive Officer of Summa Corporation, also known as the Howard Hughes Corporation, one of the largest developers in the City of Las Vegas and which has substantial business matters which come before the city council on a frequent and continuing basis, received an invitation in the mail and entered a foursome in the tournament.

27. James C. Saxon, of James C. Saxon, Inc., a real estate broker and developer whose real estate projects in the City of Las Vegas at times require approval by the city council, received an invitation from Mr. Hawkins in the mail and sponsored a foursome. Mr. Saxon personally attended the event.

28. Jim Bell, President of Whittlesea Blue Cab Co., which holds a Las Vegas city license and whose business is within the city and Mr. Hawkins' district, was invited to the tournament by an invitation in the mail. Mr. Bell sponsored four family members in the event but did not personally attend.

29. Mike Montalvo, Vice President of Marketing for Sierra Health Services, was solicited to participate in the tournament. Mr. Montalvo received an invitation advertising the event in the mail. Sierra Health Services has a contract with the city which authorizes it to use up to 25 percent of its total health care services budget to provide health care to City of Las Vegas employees. Mr. Montalvo sponsored a foursome, two of whom were employees of Sierra Health Services. Mr. Montalvo did not attend the tournament.

30. Other City of Las Vegas businesses that were solicited and paid to participate in the tournament included Mercy Medical Services, which holds a city license and has an exclusive contract with the city to provide emergency

response ambulance services within the city; Silver State Disposal Inc., which enjoys an exclusive disposal agreement in the city; Dan Kaiserman, President of National Heritage Industries, Inc., who had frequent business dealings before the city council and interactions with city officials in regard to low-income housing construction matters; Frey Boy Ventures Investment Company, which has city development agreements relative to water lines and other utilities with Las Vegas and whose representative Gary Frey participated in the event; Lady Luck Hotel and Casino which operates in downtown Las Vegas; and Steel Engineering, also licensed to do business in the City of Las Vegas.

31. Mr. Hawkins received a total of \$67,000 from those who attended the tournament of which \$19,787.65 was personal profit after expenses.

## OPINION

The issues in this opinion are: (1) whether under the provisions of NRS 281.501(2) and (3), Mr. Hawkins had the duty to disclose two business loans with Anchor Coin for which he was personally indebted, and abstain from twice voting in his public capacity as a Las Vegas City Councilman to approve for Anchor Coin two slot-operation lease locations in Las Vegas; and (2) whether Mr. Hawkins', by soliciting the participation of companies and individuals who have business or other matters with the City of Las Vegas or would be likely to have matters considered by the Las Vegas City Council frequently or on a regular or predictable basis, to a for-profit business venture benefiting only himself, violated the Code of Ethical Standards at NRS 281.481(1) and (2).

### (I) Disclosure and Abstention: Anchor Coin

NRS 281.501(2) and (3) provide the standards public officers must follow in discussing, advocating, voting, or otherwise acting on a legislative matter with respect to which the independence of judgment of a reasonable person in his or her situation would be materially affected by the acceptance of a gift or loan, a pecuniary interest, or a commitment in a private capacity to the interest of others.

#### A. Disclosure

Nevada's Ethics in Government law provides the following with respect to a public officer or employee disclosing an interest prior to voting on a matter affecting that interest:

NRS 281.501 Additional standards: Voting by members of the legislative branch and other public officers or employees; effect of abstention from voting on quorum; required disclosures.

\* \* \*

3. A public officer or employee shall not approve, disapprove, vote, abstain from voting, or otherwise act upon any matter;

- (a) Regarding which he has accepted a gift or loan;
- (b) Which would reasonably be affected by his commitment in a private capacity to the interest of other; or
- (e) In which he has a pecuniary interest, without disclosing the full nature and extent of the gift, loan, commitment or interest. Such a disclosure must be made at the time the matter is considered. If the officer or employee is a member of a body which makes decisions, he shall make the disclosure in public to the chairman and other members of the body. If the officer or employee is not a member of such a body and holds an appointive office, he shall make the disclosure to the supervisory head of his organization or, if he holds an elective office, to the general public in the area from which he is elected. NRS 281.501(3).

Mr. Hawkins had signed two business loans which he personally guaranteed in the combined amount of \$200,000 with Anchor Coin in his private capacity as a sports bar owner and operator. The loans were made in February 1990 and had a 5-year repayment period. Anchor Coin had slot machine installation and space leasing matters at Smith's and Albertson's Supermarkets before the city council on October 6, 1992, and December 16, 1992, which were unrelated to Mr. Hawkins loans and business.

The provisions of NRS 281.501(3)(a) require that the full nature and extent of the loans from Anchor Coin should have been publicly disclosed at the time the agenda items concerning Anchor Coin's applications for slot-operator lease locations at Smith's and Albertson's Supermarkets were considered by the city council. It is irrelevant that the Anchor Coin items were in a consent agenda format as opposed to segregated agenda items. In either circumstance, the items were identified with sufficient information for Mr. Hawkins to have notice of the identity of the requesting party, Anchor Coin. Mr. Hawkins's failure to disclose the Anchor Coin loans violated the Ethics in Government Law at NRS 281.501(3).

## **B. Abstention**

Subsection (2) of NRS 281.501 prohibits members of the legislative branch from voting on matters with respect to which the independence of judgment of a reasonable person in his situation would be materially affected by his acceptance of a gift or loan; his pecuniary interest; or his commitment in a private capacity to the interest of others. The statute provides the following in pertinent part:

2. In addition to the requirements of the code of ethical standards, a member of the legislative branch shall not vote upon or advocate the passage or failure of, but may otherwise participate in the consideration of a matter of judgment of a reasonable person in his situation would be materially affected by:

(a) His acceptance of a gift or loan;

(b) His pecuniary interest; or

(c) His commitment in a private capacity to the interests of others.

It must be presumed that the independence of judgment of a reasonable person would not be materially affected by his pecuniary interest where that resulting benefit or detriment accruing to him is not greater than that accruing to any other member of the general business, profession, occupation or group. NRS 281.501(2).

Mr. Hawkins' two loans from Anchor Coin did not create a relationship in which the independence of judgment of a reasonable person in his situation would be materially affected when considering the Anchor Coin matters before the city council on October 6, 1992, and December 16, 1992. Those matters were not related either directly or indirectly, to Mr. Hawkins' loans from Anchor Coin. Nor was Mr. Hawkins' debtor/creditor relationship with Anchor Coin such that he would have felt beholden to Anchor Coin on unrelated matters brought by Anchor Coin before the city council. Mr. Hawkins and Anchor Coin had an arm's-length private business relationship which, in these circumstances, would not have materially affected the independence of judgment of a reasonable person voting on unrelated Anchor Coin matters that were before the Las Vegas City Council on October 6, 1992 and December 16, 1992.

Mr. Hawkins therefore did not violate the provisions of NRS 281.501(2) by voting on the Anchor Coin matters before the Las Vegas City Council on October 6, 1992, and December 16, 1992.

## **(II) Code of Ethical Standards: Golf Tournament Personal Fund-Raiser**

The public policy purposes of the Code of Ethical Standards and its application to individuals who hold roles as both public servants and private citizens, have been declared by the legislature to be the following:

1. It is hereby declared to be the public policy of this state that:

\* \* \*

(b) A public officer or employee must commit himself to avoid conflicts between his private interests and those of the general public whom he serves.

2. The legislature finds that:

(a) The increasing complexity of state and local government, more and more closely related to private life and enterprise, enlarges the potentiality for conflict of interests.

(b) To enhance the people's faith in the integrity and impartiality of public officers

and employees, adequate guidelines are required to show the appropriate separation between the roles of persons who are both public servants and private citizens. NRS 281.421(1)(b) and (2).

The issue here is whether Mr. Hawkins', by soliciting the participation of companies and individuals who have business or other matters with the City of Las Vegas or would be likely to have matters considered by the Las Vegas City Council frequently or on a regular or predictable basis in a for-profit business venture benefiting only himself, violated the Code of Ethical Standards at NRS 281.481(1) and (2).

NRS 281.481(1) and (2) provide the following:

(1) A public officer or employee shall not seek or accept any gift, service, favor, employment, engagement, emolument or economic opportunity which would tend improperly influence a reasonable person in his position to depart from the faithful and impartial discharge of his public duties.

(2) A public officer or employee shall not use his position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for himself, any member of his household, any business entity in which he has a significant pecuniary interest, or any other person.

Central to the Commission's consideration is the extent to which public officials may solicit private business opportunities from persons or business who does business with the City of Las Vegas or who frequently, regularly or with some predictability, come before the City or city council on matters requiring city approval. While it is recognized that many elected officials engage in private income-producing activities, there is a point at which such activities conflict with a public officer's loyalties and responsibilities required in his public capacity.

In this case, Mr. Hawkins, or his agents, personally solicited by correspondence and telephone calls, businesses and individuals which:

(i) had business relationships with the City of Las Vegas, including Kenneth Wynn and Barry Shier of the Fremont Street Experience Company;

(ii) had contractual relationships with the city including Silver State Disposal with whom the city has a disposal contract, and Mercy Medical Services with whom the city also has a contractual relationship for emergency ambulance services;

(iii) had business matters come before the city council frequently or on a predictable or regular basis, such as John Goolsby of the Summa Corporation, which is a component of the Howard Hughes Corporation and a large developer in Las Vegas that has a substantial number of matters before the city council, and Jim Saxton, who had business before the city council on a predictable if not frequent or regular basis;[\[1\]](#) and

(iv) were dependent on the city for permission to conduct gaming in its jurisdiction, including the Golden Nugget and Lady Luck Casinos.

Mr. Hawkins maintained that the success of the golf tournament was dependent on and attributable to his celebrity status as a former professional football player and not that of his status as a city councilman. While Mr. Hawkins may enjoy some celebrity in Las Vegas, the customer base from which Mr. Hawkins and his two agents heavily drew were individuals and businesses who would more likely interact with Mr. Hawkins in his public capacity as a councilman rather than in his private capacity as a former professional athlete.

Unfortunately, Mr. Hawkins and his staff did not keep adequate records of all persons invited to the tournament or of those who actually participated. Many of the 100 to 150 invitees operated outside of the city's jurisdictional boundaries, with respect to which Mr. Hawkins did not misuse his position in government because they did not do business with the city nor would they be likely to appear before the city council with any frequency, regularity or predictability. But with respect to the invitees who did have business with the city, or appeared or may appear before the city council with frequency, regularity or predictability, Mr. Hawkins' solicitation of them constituted the use of his position in government to secure a business advantage. Those businesses are dependent on the City of Las



Vegas and the city council to approve matters affecting those businesses in which they are engaged and which they seek to operate in the City of Las Vegas. The goodwill of the city council and individual council members is not an insignificant benefit to parties seeking contracts with the city or appearing before the council for approval.

In general, the Commission finds that a solicitation of private business by a city councilman from a person or business who has a business relationship with the city, or who frequently, regularly or predictably appears before the city council, violates the Code of Ethical Standards at NRS 281.481(1) and (2). In these circumstances, private business solicitations by Mr. Hawkins or his agents, of persons dependent on the city for approval of private projects or pecuniary interests constitutes an improper use of one's public position of authority for private gain.

Mr. Hawkins made a substantial profit, almost \$20,000, on the one-day golf event attended by approximately 90 people. A significant number of the small group of sponsors who paid for participants to enter the tournament had interests in the City of Las Vegas, namely: the Summa Corporation (aka Howard Hughes Corporation), which paid \$4,000; Golden Nugget, which initially paid \$4,000; Atlandia Design, which initially paid \$4,000;