

STATE OF NEVADA

BEFORE THE NEVADA COMMISSION ON ETHICS

In re **Miguel Martinez**, Councilmember, City of Reno, State of Nevada, Ethics Complaint Case No. 24-056C

Subject. /

DEFERRAL AGREEMENT NRS 281A.740

1. On September 17, 2024, a Review Panel authorized the Executive Director of the Nevada Commission on Ethics ("Commission") and Miguel Martinez ("Martinez") to develop this Deferral Agreement (the "Agreement") to address the alleged conduct at issue in Ethics Complaint No. 24-056C ("Complaint") instead of referring the Complaint to the Commission for further proceedings.

2. At all material times, Martinez served as member of the Reno City Council, acted in such capacity, and was a public officer as defined in NRS 281A.160. The Ethics in Government Law ("Ethics Law") set forth in NRS Chapter 281A gives the Commission jurisdiction over Martinez as a public officer whose conduct is alleged to have violated the provisions of NRS Chapter 281A. *See* NRS 281A.280.

3. This Agreement is entered into based upon the September 17, 2024 Review Panel Determination that Martinez's alleged conduct may be appropriately addressed through the terms and conditions of a deferral agreement instead of referring the Complaint to the Commission for further proceedings.

4. The Review Panel Determination was based on facts established by sufficient evidence to support just and sufficient cause for the Commission to render an opinion in the matter. The facts relied upon by the Review Panel to make its determination are summarized in Appendix A ("Relevant Facts Relied Upon by the Review Panel").¹

¹ The Relevant Facts Relied Upon by the Review Panel do not constitute part of the "Investigative File" as that term is defined by NRS 281A.755. All statutory and common law protections afforded to the Investigative File shall remain and are not affected by this Agreement. By entering into this Deferral Agreement, Martinez does not concede that the Relevant Facts Relied Upon by the Review Panel are undisputed and reserves all rights to contest or add context to them should the Commission vacate the Deferral Agreement pursuant to Section B., paragraph 7 of this Deferral Agreement.

5. No findings have been made by the Review Panel or the Commission that Martinez violated the Ethics Law, and this Agreement does not constitute an admission by Martinez of any violation of the Ethics Law.

A. Procedural History:

1. On April 30, 2024, the Commission initiated Ethics Complaint No. 24-056C on its own motion based on allegations made in a series of articles appearing in *ThisIsReno.com*, city documents published with the articles, publicly available conference information, and Martinez's social media accounts.

2. On May 1, 2024, the Commission issued its *Order Regarding Initiating an Ethics Complaint, Jurisdiction and Investigation* directing the Executive Director to conduct an investigation regarding Martinez's alleged violations of the Code of Ethical Standards set forth in NRS 281A.400 through NRS 281A.430, inclusive ("Code of Ethical Standards") of the Ethics Law:

NRS 281A.400(2) Using his position in government to secure or grant unwarranted privileges, preferences, exemptions or advantages for himself, any business entity in which he has a significant pecuniary interest, or any person to whom he has a commitment in a private capacity.

NRS 281A.400(9) Attempting to benefit a personal or pecuniary interest of any person to whom he has a commitment in a private capacity through the influence of a subordinate.

3. On May 2, 2024, the Executive Director provided a *Notice of Complaint and Investigation* and provided Martinez with an opportunity to submit a response to the allegations.

4. On May 23, 2024, Martinez executed a waiver of statutory time requirements for an investigation pursuant to NRS 281A.720.

5. On July 11, 2024, Martinez, by and through his counsel Rick R. Hsu, Esq., provided a written response to the allegations.

6. On September 17, 2024, the Executive Director presented a recommendation relating to just and sufficient cause to a three-member review panel pursuant to NRS 281A.725.

7. A Review Panel Determination issued on September 18, 2024 concluded

that:

The Review Panel unanimously finds and concludes that the facts do establish credible evidence to support a determination that just and sufficient cause exists for the Commission to render an opinion in the matter regarding the alleged violation of NRS 281A.400(2) and (9). Pursuant to NRS 281A.730, the Review Panel reasonably believes that Martinez's conduct may be appropriately addressed through corrective action under the terms and conditions of a deferral agreement instead of referring these allegations to the Commission for further proceedings at this time.

B. Terms and Conditions of Deferral Agreement:

1. This Agreement shall be in effect for a period of one (1) year (the "Deferral Period") from the date of approval by the Review Panel.

2. Martinez must comply in all material respects with the Code of Ethical Standards during the Deferral Period without being the subject of another ethics complaint arising from an alleged violation of the Code of Ethical Standards which occurs during the Deferral Period and for which a Review Panel determines that there is just and sufficient cause for the Commission to determine that Martinez violated the Code of Ethical Standards.

3. Martinez must receive ethics training approved by the Executive Director within 60 days from the date of the Review Panel's approval of this Agreement.

4. Martinez must provide evidence to the Executive Director that Martinez is working with City leadership to improve travel training, processes, and procedures to prevent others from inappropriately expending public funds; and

5. Martinez shall submit to the Executive Director records for all out-of-state travel by Martinez funded in part or in whole by the City of Reno within 30 days of such travel occurring during the Deferral Period.

6. During the Deferral Period, the Executive Director shall monitor Martinez's compliance with this Agreement. Should the Executive Director discover that Martinez has not complied with any term or condition of this Agreement, the Executive Director shall:

a. Inform the Commission of any alleged failure of Martinez to comply with this Agreement;

- b. Give Martinez written notice of any alleged failure to comply with this Agreement; and
- c. Allow Martinez not less than 15 days to respond to such a notice.

7. The Commission may vacate this Agreement and conduct further proceedings in the matter, including an adjudicatory hearing, if the Commission finds that Martinez failed to comply with the terms and conditions of this Agreement.

8. If Martinez complies with the terms and conditions of this Agreement, the Commission shall dismiss this complaint with prejudice.

9. This Agreement applies only to the alleged conduct related to this Complaint.

/// /// /// <u>C. Acceptance</u>: We, the undersigned parties, have read this Agreement, understand each and every provision therein, and agree to be bound thereby.

DATED this <u>10th</u> day of <u>Uchber</u>, 2024.

Miguel Martinez

FOR MIGUEL MARTINEZ

Rick R. Hsu, Esq. Maupin, Cox & LeGoy

The above Deferral Agreement is approved:

DATED this 7th day of October , 2024.

Ross E. Armstrong, Esq. Executive Director Nevada Commission on Ethics

Approved as to form by:

FOR REVIEW PANEL OF THE NEVADA COMMISSION ON ETHICS

DATED this _____ day of _____, 2024.

Elizabeth J. Bassett, Esq. Commission Counsel Nevada Commission on Ethics

The above Deferral Agreement is approved by the Review Panel.

Dated:

By: /s/ Stan Olsen Commissioner/Presiding Officer By:

Terry J. Reynolds Commissioner

By: <u>/s/</u> Michael E. Langton, Esq. Commissioner

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<u>C. Acceptance</u>: We, the undersigned parties, have read this Agreement, understand each and every provision therein, and agree to be bound thereby.

DATED this day of, 2024.	
	Miguel Martinez
	FOR MIGUEL MARTINEZ
	Rick R. Hsu, Esq. Maupin, Cox & LeGoy
The above Deferral Agreement is approved:	
DATED this day of, 2024.	Ross E. Armstrong, Esq. Executive Director Nevada Commission on Ethics
Approved as to form by:	FOR REVIEW PANEL OF THE NEVADA COMMISSION ON ETHICS
DATED this 18th day of November, 2024.	<u>/s/ Elizabeth Bassett</u> Elizabeth J. Bassett, Esq. Commission Counsel Nevada Commission on Ethics
The above Deferral Agreement is approved by	/ the Review Panel.
Dated: November 18, 2024	
By: <u>/s/ Stan Olsen</u> Stan Olsen Commissioner/Presiding Officer	By: <u>/s/ Terry Reynolds</u> Terry J. Reynolds Commissioner
By: <u>/s/ Michael Langton</u> Michael E. Langton, Esq. Commissioner	

Appendix A – Relevant Facts Relied Upon by the Review Panel

- A. Martinez is a Member of the Reno City Council ("Council").
- B. Articles appearing in *ThisIsReno.com* authored by Kristen Hackbarth ("Hackbarth") in a 10-part investigative series ("Series") detail many issues related to allegedly inappropriate travel expenses paid to City Council Members by the City, including Martinez.
- C. Hackbarth obtained the information for her Series from a public records request, City policies, and review of social media sites, among other resources. The public information and records are listed in the third article of the Series titled, *City of Reno spending irregularities aren't isolated to council member Reese*, February 16, 2024.
- D. As a Member of the Reno City Council, Martinez attended the National Association of Latino Elected and Appointed Officials ("NALEO") Educational Fund conference in New York City on July 11 13, 2023.
- E. Martinez stayed two additional days after the end of the NALEO conference for personal travel purposes, at the cost of an additional \$492.15 a night. Extra per-diem meal costs for each additional day in addition to a dinner that was charged to Martinez's hotel bill for \$182.67 were also charged to the City. Martinez received reimbursements for all hotel nights.
- F. Martinez attended the National Recreation and Parks ("NRPA") Conference in Dallas, Texas, arriving in Dallas on October 8, 2023. The NRPA website shows that this conference started on October 10, 2023.2
- G. Martinez flew in two days before the beginning of the NRPA conference to play golf with the conference hotel cost at \$915.57 a night.
- H. Martinez participated in an optional golf tournament on October 9, 2023, offered at the conference, with a registration fee of \$100.
- I. Due to travel time and conference start times, an additional travel day before or after a conference may be reasonable. However, the travel for Martinez reimbursed by City funds arguably was beyond those reasonable travel costs.
- J. City staff leadership, who are subordinates of the City Council, admitted to lack of attention to detail or vigorous review of travel costs associated with City Councilmembers. In addition, the City does not train City Councilmembers on travel procedures or policies.

² <u>https://www.nrpa.org/events/industry-calendar/nrpa-annual-conference-2023/</u>

- K. After the publication of the Series, Martinez, without any action or demand from the Ethics Commission, reimbursed the City in the amount of \$1,844.70. The reported reimbursements are for:
 - i. \$182.67 for dinner during NALEO charged to the City
 - ii. \$741.96 for flights reimbursed that were previously charged on a City credit card
 - iii. \$920.07 for the one-night stay at the hotel during the NRPA Conference