



Palm Beach County Commission on Ethics

Commissioners
Manuel Farach, Chair
Robin N. Fiore, Vice Chair
Daniel T. Galo
Patricia L. Archer

Executive Director
Steven P. Cullen

In Re: Robert Margolis

C13-001

PUBLIC REPORT AND FINAL ORDER OF DISMISSAL

COMPLAINANT, Mark Bellisimo, filed the above-referenced COMPLAINT on January 6th, 2013, alleging a possible ethics violation involving RESPONDENT, Robert Margolis, Village of Wellington Mayor.

The COMPLAINT alleges that on or about May 17, 2012, RESPONDENT, Robert Margolis, knowingly accepted a gift in excess of one hundred dollars (\$100) from a principal of a lobbyist. An official may not knowingly accept any gift with a value of greater than one hundred dollars (\$100) from any person or business entity that the recipient knows or should know with the exercise of reasonable care is a lobbyist or any principal or employer of a lobbyist.¹

On March 14, 2013, the COMPLAINT was determined by staff to be LEGALLY SUFFICIENT. The Memorandum of Probable Cause and Memoranda of Inquiry and Investigation, adopted by reference, were presented to the Commission on Ethics on May 2, 2013 with a recommendation that PROBABLE CAUSE existed to believe there was a Code of Ethics Violation. At that time, the Commission conducted a hearing. The Commission reviewed and considered the Memoranda of Inquiry, Supplemental Investigation and Probable Cause, recommendation of staff, as well as oral statements of the RESPONDENT and ADVOCATE. At that time the Commission also reviewed Article V, §2-260.3 of the Commission on Ethics ordinance. At the conclusion of the hearing the Commission on Ethics determined that PROBABLE CAUSE existed to believe that RESPONDENT may have violated the Code of Ethics and this matter was set for final hearing.

¹ Article XIII, sec. 2-444(a) of the Palm Beach County Code

On July 11, 2013, RESPONDENT and ADVOCATE submitted a NEGOTIATED SETTLEMENT to the Commission on Ethics for approval. Under this NEGOTIATED SETTLEMENT, RESPONDENT stipulates to the facts as set forth within the LETTER OF INSTRUCTION. Pursuant to the Commission on Ethics Ordinance 2-260.1, Public Hearing Procedures, the Commission has determined that the public interest would not be served by proceeding further, DISMISSES the complaint, and issues a LETTER OF INSTRUCTION to RESPONDENT.

Therefore it is:

ORDERED AND ADJUDGED that the COMPLAINT against RESPONDENT Robert Margolis is hereby DISMISSED and a LETTER OF INSTRUCTION is to be issued in this case.

DONE AND ORDERED by the Palm Beach County Commission on Ethics in public session on July 11, 2013.

By:



Manuel Farach, Chair
Palm Beach County Commission on Ethics



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In Re: Robert Margolis, Respondent

C13-001

LETTER OF INSTRUCTION

Mark Bellissimo (Complainant) filed the above captioned complaint against Robert Margolis, Mayor, Village of Wellington (Respondent), alleging violations of the Palm Beach County Code of Ethics, Article XIII, §2-443(a)(Misuse of office), §2-443(b)(Corrupt misuse of office) and Article XIII, §2-444(a)(1) (Gift law). The complaint alleges, in part, that Respondent accepted a gift in excess of \$100 from a person who is a principal of a lobbyist who lobbies the Village of Wellington (the Village) in violation of the gift law.

- **Facts and analysis**

Respondent is the elected Mayor for the Village. As an elected municipal official in Palm Beach County, Respondent is subject to the Palm Beach County Code of Ethics.

Pursuant to gift disclosure requirements, Respondent submitted a State of Florida Quarterly Gift Disclosure Form (Form 9) indicating that he received a \$2500 gift on or about May 17, 2012 for his legal defense fund regarding a voter recount in the mayoral race. It was determined through inquiry that the donor, Neil Hirsch, served on the board of the Wellington Equestrian Preservation Alliance (The Alliance), a non-profit civic organization. At the time the gift was given to Respondent, the Alliance was active in publicly advocating positions regarding the development of an area in the Village known as the Equestrian Preserve. The Executive Director of the Alliance, Mat Forrest, is a registered lobbyist for Solarsports Systems, Inc. (Solar). Forrest is an employee of Ballard Partners and has a contract to provide governmental affairs services to Solar.

In Forrest's sworn statement to COE Investigator Bannon, he noted that he became involved with the Alliance through his work with Solar. Specifically, Forrest stated that Lou Jacobs, Forrest's primary contact with Solar tasked him to create an organization to advocate for the preservation of the equestrian area of Wellington. Public records obtained by COE staff demonstrate that Forrest appeared before the Wellington Planning, Zoning and Adjustment Board on behalf of the Alliance in regards to the development of a parcel of land within the Equestrian Preserve. The Commission has previously opined that where a person lobbying on behalf of an organization receives compensation for that representation, from whatever source, that person is a lobbyist and the organization is the principal under the Code.

- Holding

Sec. 2-444(a) – Gift law, states in relevant part:

No county commissioner, member of a local governing body, mayor or chief executive when not a member of the governing body, or employee, or any other person or business entity on his or her behalf, shall knowingly solicit or accept directly or indirectly, any gift with a value of greater than one hundred dollars (\$100) in the aggregate for the calendar year from any person or business entity that the recipient knows, or should know with the exercise of reasonable care, is a vendor, lobbyist or any principal or employer of a lobbyist who lobbies, sells or leases to the county or municipality as applicable.

Sec. 2-260.3 – Dismissal of complaints, states as follows:

Notwithstanding any other provisions of this division, the commission on ethics may, at its discretion: (a) dismiss any complaint at any stage of disposition should it determine that the public interest would not be served by proceeding further, or (b) dismiss any complaint at any stage of disposition and issue a letter of instruction to the respondent when it appears that the alleged violation was inadvertent, unintentional or insubstantial. In the event the commission on ethics dismisses a complaint as provided in this subsection, the commission on ethics shall issue a public report stating with particularity its reasons for the dismissal.

Respondent accepted a prohibited gift from a principal of a lobbyist.

On May 2, 2013 the Commission on Ethics met in executive session and determined that there was probable cause to believe that Respondent may have violated the Palm Beach County Code of Ethics. Prior to the filing of the above referenced complaint, former COE Executive Director Alan S. Johnson filed a self-initiated complaint against Respondent for accepting a gift in excess of \$100 from the principal or employer of a lobbyist (C12-015).

The Commission is mindful that the facts and circumstances indicate Respondent transparently filed the gift on his state quarterly gift form as required. The \$2500 donation given by Neil Hirsch to Respondent's legal defense fund was reported at the same time as the prohibited donation in ethics complaint C12-015. The Commission dismissed C12-015 with a letter of instruction, advising Respondent that accepting a prohibited gift from a principal of a lobbyist without inquiring as to the status of the donor would result in an actionable violation of the Code.

The Respondent has testified under oath that 1) he was unaware that the donor served on the board of the non-profit organization at the time the gift was given and 2) that members of his campaign staff reviewed Wellington lobbyist records and confirmed that Hirsch was not personally registered as a principal or employer of a lobbyist. While there is significant evidence to indicate that a compensated lobbyist, Mat Forrest, was lobbying on behalf of the Alliance, Forrest was not registered as a representative of the Alliance. Staff investigation following the Commission's probable cause determination has developed no additional evidence that Respondent had actual knowledge that Hirsch was a director of the Alliance at the time he accepted the gift or that the gift was given in exchange for official action. In addition, Respondent voluntarily returned the prohibited portion of the gift to the donor.

In light of the facts and circumstances known to the Commission on Ethics, the matter is disposed of by way of dismissal with this Letter of Instruction. The COE has determined that the public interest would not be served by proceeding further. However, Respondent is again advised as he was previously in regard to the gift in C12-015 and accompanying Letter of Instruction, that the filing of Ethics Complaint C13-001 is to serve as notice that actions taken by Respondent in accepting a prohibited gift from a principal of a lobbyist without inquiring as to the status of the donor, will result in an actionable violation of the Code. Due to the unique circumstances of this transaction the matter is appropriately addressed through this letter of instruction.

Respondent is hereby instructed proceed with great caution in the future to ensure that he avoid accepting prohibited gifts and to use due diligence in identifying the status of a donor, whether or not the gift is given directly, or indirectly, so as to conform his activities to this Letter of Instruction and to the requirements of §2-444(a)(1) to avoid any future enforcement action. In consideration of this disposition, the Commission also dismisses the allegation that Respondent violated Article XIII, sec. 2-444(e) of the Palm Beach County Code of Ethics.

This letter of instruction is issued by the Palm Beach County Commission on Ethics in public session on July 11, 2013.

By: 
Palm Beach County Commission on Ethics,
Manuel Farach, Chair