Wilmington, Delaware
December 3, 2026

#xxxx

Sponsor:

Council Member McCoy

WHEREAS, the Wilmington Ethics Commission (the "Ethics Commission") administers and implements the City Ethics Requirements and exercises responsibilities that include considering complaints, conducting disciplinary proceedings, issuing advisory opinions, and recommending appropriate action under the Wilmington City Code; and

WHEREAS, Section 2-343(e) of the Wilmington City Code provides that the City Solicitor or the City Solicitor's designee shall serve as legal counsel and legal representative to the Ethics Commission on a case-by-case basis, or shall determine that outside counsel is needed and obtain such counsel for a particular matter; and

WHEREAS, Section 2-339 of the Wilmington City Code provides that the conduct of City officials and employees must maintain the respect and confidence of the public and must avoid conduct that violates the public trust or creates a justifiable impression that the public trust is being violated; and

WHEREAS, public confidence in the Ethics Commission depends not only on the integrity of its decisions, but also on the reasonable appearance that the Commission and its counsel will approach matters involving every City official fairly, independently, and impartially; and

WHEREAS, William B. Larson, Jr., Esquire ("Attorney Larson"), a partner of Manning Gross + Massenburg LLP ("MGM"), currently serves as legal counsel to the Ethics Commission, and the City's public listing identifies Attorney Larson as Commission Counsel; and

WHEREAS, by Conflict Waiver dated February 9, 2026 (the "Conflict Waiver"), signed by Council Member Spadola and the Acting City Solicitor, MG+M disclosed that it represents the City of Wilmington Finance Department in utility-billing matters and advises the Ethics Commission, and that Council Member Spadola sought MG+M's representation concerning his qualifications to retain office and a "potential effort" by other members of City Council to remove him; and

WHEREAS, in the Conflict Waiver, MG+M acknowledged a potential concurrent conflict of interest under Delaware Lawyers' Rule of Professional Conduct 1.7 because it would represent Council Member Spadola in a dispute with other members of City Council acting in their official capacity, and asserted that it does not represent City Council and that the clients would not make claims against each other in the same litigation or related matters; and

WHEREAS, MG+M, through Attorney Larson, also represented Council Member James Spadola in litigation filed in the Delaware Court of Chancery against City Council and City Council President; and

WHEREAS, that litigation arose from City Council's adoption of Resolution No. 26-038 declaring Council Member Spadola's at-large seat vacant, which Council Member Spadola challenged in the Court of Chancery; and

WHEREAS, on September 17, 2026, the Court of Chancery ruled in favor of Council Member Spadola, and City Council and the Council President have appealed that decision to the Delaware Supreme Court, where the matter remains pending; and

WHEREAS, the representation of Council Member Spadola by MG+M, through Attorney Larson, is therefore directly adverse to City Council and the Council President in

ongoing litigation, while MG+M and Attorney Larson simultaneously occupy the position of legal counsel to the City body charged with administering and implementing the City Ethics Requirements; and

WHEREAS, the Delaware Lawyers' Rules of Professional Conduct provide that a lawyer represents an organizational client acting through its duly authorized constituents and may represent a constituent of the organization only subject to the conflict-of-interest requirements of Rule 1.7; and

WHEREAS, Delaware Lawyers' Rule of Professional Conduct 1.7 provides that a concurrent conflict of interest exists when the representation of one client is directly adverse to another client or when there is a significant risk that a lawyer's representation of one or more clients will be materially limited by responsibilities to another client, a former client, or a third person, or by the lawyer's personal interests; and

WHEREAS, Rule 1.7 permits representation notwithstanding certain concurrent conflicts only when the lawyer reasonably believes that competent and diligent representation can be provided to each affected client, the representation is not prohibited by law, the representation does not involve one client asserting a claim against another client represented by the lawyer in the same litigation or proceeding, and each affected client gives informed consent confirmed in writing; and

WHEREAS, Delaware courts recognize that Rule 1.7 addresses both direct adversity and a significant risk that responsibilities to another client or a personal interest will materially limit counsel's representation; and

WHEREAS, Delaware Lawyers' Rule of Professional Conduct 1.16 requires a lawyer to decline or terminate a representation when continuing the representation would

violate the Rules of Professional Conduct or other law and permits withdrawal when other good cause exists; and

WHEREAS, Rule 1.16 further requires that, upon termination of a representation, counsel take reasonably practicable measures to protect the client's interests, including providing reasonable notice, allowing time to retain successor counsel, surrendering papers and property to which the client is entitled, and refunding any unearned advance payment of fees or expenses; and

WHEREAS, the Conflict Waiver predates, and by its terms addresses only, a "potential" effort to remove Council Member Spadola, and does not expressly contemplate the subsequent Court of Chancery litigation against City Council and the Council President or the pending appeal to the Delaware Supreme Court; and

WHEREAS, the City of Wilmington is MG+M's client as stated in the Conflict Waiver, and City Council and the Council President, a body and an officer of that City, are now adverse to Council Member Spadola, whom MG+M also represents, in active litigation; and

WHEREAS, the Conflict Waiver does not reflect informed consent by the Ethics Commission itself, or any consideration of Ethics Commission matters involving members of City Council; and

WHEREAS, Delaware Lawyers' Rule of Professional Conduct 1.10 generally provides that, while lawyers are associated in a firm, a conflict of interest of one lawyer is imputed to the other lawyers in the firm, such that the concern addressed by this Resolution extends to MG+M and not only to Attorney Larson; and

WHEREAS, under the Delaware Lawyers' Rules of Professional Conduct, a client that has consented to a conflict of interest may revoke that consent; and

WHEREAS, City Council does not, through this Resolution, adjudicate whether Attorney Larson or MG+M has committed a violation of the Delaware Lawyers' Rules of Professional Conduct, make any finding concerning the professional competence or integrity of either, or express personal animosity toward either; and

WHEREAS, regardless of whether an actual or legally disqualifying conflict has arisen, and notwithstanding the Conflict Waiver, the simultaneous service of MG+M and Attorney Larson as legal counsel to the Ethics Commission and representation of an individual Council Member in active litigation adverse to City Council and the Council President creates, at minimum, a reasonable appearance that MG+M and Attorney Larson may not be impartial in matters before the Ethics Commission involving City Council, the Council President, individual Council Members, or issues related to the pending litigation; and

WHEREAS, because the Ethics Commission may receive complaints concerning elected officials, issue advisory opinions, conduct hearings, recommend disciplinary action, and otherwise address matters affecting City Council and its members, avoiding a reasonable appearance of partiality is important to preserving confidence in the Commission's independence and the fairness of its proceedings; and

WHEREAS, replacing MG+M and Attorney Larson with successor counsel who is not involved in the pending litigation would protect the institutional interests of the Ethics Commission, City Council, the Council President, Council Member Spadola, and

the City, without attributing improper conduct or motive to MG+M or Attorney Larson; and

WHEREAS, City Council concludes that maintaining public confidence in the administration of the City Ethics Requirements warrants the selection of conflict-free successor counsel whose impartiality cannot reasonably be questioned because of participation, by counsel or counsel's firm, in the pending litigation.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WILMINGTON:

1. City Council respectfully urges the City Law Department, acting consistently with its authority under Section 2-343(e) of the Wilmington City Code, to terminate the engagement of MG+M, insofar as the engagement provides for MG+M to advise the Wilmington Ethics Commission, including Attorney Larson's role under that engagement, and to withdraw or revoke the City's consent under the Conflict Waiver to the extent it relates to MG+M's continued service to the Ethics Commission. Whether MG+M's separate representation of the City Finance Department in utility-billing matters should continue is left to the discretion of the City Law Department.

2. City Council further urges the City Law Department to arrange promptly for qualified successor counsel to represent the Ethics Commission. Successor counsel should, at a minimum:

a. Have no involvement in *Spadola v. Congo* or any related appeal;

b. Have no representation or other professional responsibility that would create direct adversity or a significant risk of materially limiting counsel's independent professional judgment on behalf of the Ethics

Commission, and provide written conflict disclosure to the City Law Department and, where appropriate, to the Ethics Commission before commencing the engagement;

c. Be able to advise the Ethics Commission fairly and independently concerning matters involving the Mayor, City Council, the Council President, individual Council Members, City employees, and appointed or honorary officials.

3. City Council requests that any termination and transition be implemented in an orderly manner that protects the Ethics Commission's interests, preserves all privileges and confidentiality obligations, provides for the transfer of Commission files and property, and avoids unnecessary disruption to pending Commission business, consistent with Delaware Lawyers' Rule of Professional Conduct 1.16(d).

4. Nothing in this Resolution shall be construed as:

a. A finding that MG+M or Attorney Larson has engaged in professional misconduct or violated any law, ethical rule, or contractual obligation;

b. A determination concerning the merits of the pending litigation or appeal involving Council Member Spadola, City Council, and the Council President;

c. An expression of personal criticism or animosity toward Attorney Larson, MG+M, or Council Member Spadola;

d. An attempt to interfere with Council Member Spadola's selection of counsel or the representation of Council Member Spadola by MG+M or Attorney Larson; or

e. A limitation on the independent authority of the Ethics Commission to administer and implement the City Ethics Requirements, or

f. A waiver of any right of the City under any engagement letter or the Conflict Waiver.

5. The purpose of this Resolution is solely to protect the actual and apparent impartiality of counsel to the Ethics Commission, maintain appropriate institutional separation, and preserve public confidence in the fair and independent administration of the City Ethics Requirements.

6. This Resolution shall take effect immediately upon its adoption.

Passed by City Council,

ATTEST: _____
City Clerk

SYNOPSIS: This Resolution urges the City Law Department to terminate the City's engagement of Manning Gross + Massenburg LLP ("MG+M") to advise the Wilmington Ethics Commission; to withdraw the City's consent under a conflict waiver as it relates to Ethics Commission work; and to arrange for conflict-free successor counsel from a firm not involved in certain litigation involving Council Member James Spadola pending before the Delaware Supreme Court. The Resolution makes no finding of professional misconduct. It notes that the conflict waiver addressed only a potential removal effort and predated the litigation and appeal adverse to City Council and the Council President. It concludes that the simultaneous representation of Council Member James Spadola by MG+M, through Attorney William B. Larson, in ongoing litigation adverse to City Council and the Council President creates, at minimum, a reasonable appearance that the firm and Attorney Larson may not be impartial in Ethics Commission matters involving City Council or its members. The Resolution is intended to preserve the actual and apparent impartiality of Commission counsel and maintain public confidence in the administration of the City Ethics Requirements.

FISCAL IMPACT STATEMENT: De minimis.