



MOLINE CITY COUNCIL AGENDA SPECIAL

Friday, September 30, 2016
8:00 a.m.
City Hall
Council Chambers – 2nd Floor
619 16th Street
Moline, IL

Call to Order

Pledge of Allegiance

Roll Call

Consent Agenda

All items under the consent agenda will be enacted by one motion. There will be no separate discussions of these items unless a Council Member so requests, in which case, the item will be moved from the Consent Agenda and considered as the first item after the Omnibus Vote.

| COUNCIL MEMBER | PRESENT | ABSENT |
|----------------|---------|--------|
| Rodriguez | | |
| Parker | | |
| Wendt | | |
| Zelnio | | |
| Turner | | |
| Schoonmaker | | |
| Waldron | | |
| Acri | | |
| Mayor Raes | | |

Resolutions

1. Council Bill/Resolution 1137-2016

A Resolution directing the IT Manager to secure all relevant electronic and paper documents as well as other pertinent data in support of a pending analysis via forensic audit of alleged employee misconduct.

Explanation: At the City Council Meeting held on September 27, 2016, Council made a motion to have the IT Manager secure electronic and paper documents as well as other pertinent data to be secured in support of a pending analysis via a forensic audit. The IT Manager is to transfer all necessary information to the proper investigative body with jurisdiction to examine the allegations of theft and whistle blower violations. Council directs staff to fully cooperate with securing the documents and data and failure to do so would subject employees to potential discipline action, up and including dismissal. Staff shall not alter, amend or destroy any existing employee records or time records of employment during the inquiry. The IT Manager shall be the only employee with authority to make any alterations during the investigation with prior written request from the appropriate department head.

Fiscal Impact: N/A

Public Notice/Recording: N/A

2. Council Bill/Resolution 1138-2016

A Resolution directing the Finance Director to serve as the Staff Contact and Aldermen Zelnio and Wendt as the contacts for the Elected Officials for the coordination of all investigation activities of alleged employee misconduct

Explanation: At the City Council Meeting held on September 27, 2016, Council made a motion to have the Finance Director serve as the Staff Contact and Aldermen Zelnio and Wendt as the contacts for the Elected Officials for the coordination of all investigation activities of alleged employee misconduct. The Finance Director will work with the Council. Council is expected to support the investigation and updates will be provided to the Council regularly.

Fiscal Impact: N/A

Public Notice/Recording: N/A

3. Council Bill/Resolution 1139-2016

A Resolution Authorizing the Mayor and City Clerk to execute an Agreement for Professional Services between the City of Moline and Lane & Waterman, LLP to provide legal services.

Explanation: At the City Council Meeting held on September 27, 2016, Council made a motion to contract the services of Lane & Waterman, LLP as independent counsel to provide services to the City associated with the forensic audit, investigation, disciplinary actions and legal actions connected to the allegations of employee misconduct. These services are not to exceed \$20,000 without additional approval of the City Council and will be paid from the 2016 and 2017 General Fund Contingency.

Fiscal Impact: This is an unbudgeted expense; funds to be used from 2016 & 2017 General Fund Contingency.

Public Notice/Recording: N/A

4. Council Bill/Resolution 1140-2016

A Resolution Authorizing the Finance Director to execute an Agreement for Professional Services necessary to contract services for an independent forensic audit in an amount not to exceed \$100,000.

Explanation: At the City Council Meeting held on September 27, 2016, Council made a motion to authorize the Finance Director to execute and agreement for professional services necessary to contract services for an independent forensic audit to examine the allegations of theft and whistle blower violations in an amount not to exceed \$100,000 without additional approval of the City Council and will be paid from the 2016 and 2017 General Fund Contingency. The Finance Director will coordinate the audit and serve as the liaison to the auditing firm for access to all relevant data and coordinate necessary interviews.

Fiscal Impact: This is an unbudgeted expense; funds to be used from 2016 & 2017 General Fund Contingency.

Public Notice/Recording: N/A

Omnibus Vote

Miscellaneous Business (if necessary)

Public Comment

Members of the Public are permitted to speak after coming to the podium and stating their name.

Executive Session (if necessary)

| COUNCIL MEMBER | AYE | NAY |
|----------------|-----|-----|
| Rodriguez | | |
| Parker | | |
| Wendt | | |
| Zelnio | | |
| Turner | | |
| Schoonmaker | | |
| Waldron | | |
| Acri | | |
| Mayor Raes | | |

A RESOLUTION

DIRECTING Nathan Scott, IT Manager, to secure all relevant electronic and paper documents as well as other pertinent data in support of a pending analysis via forensic audit of alleged employee misconduct; and

DIRECTING staff to fully cooperate with securing the documents and data and staff shall not alter, amend or destroy any existing employee records or time records of employment.

WHEREAS, the City Council seeks to investigate allegations of employee misconduct; and

WHEREAS, the IT Manager shall immediately secure all relevant electronic and paper documents as well as other pertinent data in support of a pending analysis via a forensic audit and the transfer of all necessary information to the proper investigative body with jurisdiction to examine the allegations of theft and whistle blower violations; and

WHEREAS, all City staff members shall cooperate fully with securing documents and date or will be subject to potential discipline action, up to and including dismissal; and

WHEREAS, all City staff members shall not alter, amend or destroy any existing employee records or time records of employment during this inquiry; and

WHEREAS, all City staff members shall cooperate fully with securing documents and date or will be subject to potential discipline action, up to and including dismissal; and

WHEREAS, the IT Manager shall be the only City employee with authority to make any alterations during this investigation, but only after receiving a written request from the appropriate department head.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That Nathan Scott, IT Manager, is hereby directed to secure all relevant electronic and paper documents as well as other pertinent data in support of a pending analysis via forensic audit of alleged employee misconduct and staff is hereby directed to fully cooperate with securing the documents and data and not to alter amend or destroy any existing records.

CITY OF MOLINE, ILLINOIS

Mayor

September 30, 2016

Date

Passed: September 30, 2016

Approved: October 11, 2016

Attest: _____
City Clerk

Approved as to form:

City Attorney

Council Bill/Resolution No. 1138-2016

Sponsor: _____

A RESOLUTION

DIRECTING Kathleen Carr, Finance Director, to serve as Staff Contact and Aldermen Wendt and Zelnio as contacts for the Elected Officials for the coordination of all investigation activities of alleged employee misconduct.

WHEREAS, the City Council seeks to investigate allegations of employee misconduct;
and

WHEREAS, the Finance Director will work with Alderman Zelnio and Alderman Wendt as needed between City Council Meetings; and

WHEREAS, all other individual City Council members will support the investigation when called upon; and

WHEREAS, the full City Council will be updated regularly regarding the ongoing investigation as appropriate.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That Kathleen Carr, Finance Director, and Aldermen Wendt and Zelnio, are hereby directed to serve as contacts for the coordination of all investigation activities of alleged employee misconduct.

CITY OF MOLINE, ILLINOIS

Mayor

September 30, 2016

Date

Passed: _____
September 30, 2016

Approved: _____
October 11, 2016

Attest: _____
City Clerk

Approved as to form:

City Attorney

Council Bill/Resolution No. 1139-2016

Sponsor: _____

A RESOLUTION

AUTHORIZING Alderman John Zelnio and Finance Director Kathy Carr to execute an Agreement for Professional Services between the City of Moline and Lane & Waterman, LLP to provide legal services; and

AUTHORIZING Kathy Carr to act as the Staff Liaison and Aldermen Wendt and Zelnio to act as Council Liaisons for the legal services to be provided.

WHEREAS, the City Council seeks to retain independent counsel to investigate allegations of employee misconduct and to provide legal advice and services to the City Council; and

WHEREAS, the City Attorney approves of such an agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That Alderman John Zelnio and Finance Director Kathy Carr are hereby authorized to execute an Agreement for Professional Services with Lane & Waterman, LLP, provided, however, that said agreement has been approved as to form by the City Attorney and that Alderman Zelnio, Alderman Michael Wendt and Finance Director Kathy Carr are hereby authorized to act as the Council and Staff Liaisons, respectively, for the investigation to be conducted.

CITY OF MOLINE, ILLINOIS

Mayor
September 30, 2016
Date

Passed: September 30, 2016

Approved: _____

Attest: _____
City Clerk

Approved as to form:

City Attorney

Joe R. Lane (1858-1931)
Charles M. Waterman (1847-1924)
C. Dana Waterman III
Terry M. Giebelstein*
Curtis E. Beason
Robert V. P. Waterman, Jr.*
R. Scott Van Vooren*
Richard A. Davidson*
Michael P. Byrne*
Edmund H. Carroll*
Theodore F. Olt III*
Jeffrey B. Lang*
Judith L. Herrmann*
Robert B. McMonagle*
Christopher J. Curran*
Joseph C. Judge*
Jason J. O'Rourke*
Troy A. Howell*
Diane M. Reinsch*
Catherine E. E. Hult*
Mikkie R. Schiltz*
Diane E. Puthoff*
Wendy S. Meyer*
Ian J. Russell*
Benjamin J. Patterson*
Douglas R. Lindstrom, Jr.*
Abbey C. Furlong*

LANE & WATERMAN LLP
ATTORNEYS AT LAW SINCE 1854

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September 28, 2016

Samuel J. Skorepa*
Kurt P. Spurgeon*
Joshua J. McIntyre*
Brett R. Marshall*
Kyle R. Day*
Andrea D. Mason*
Timothy B. Gulbranson*
Trista M. Beise

Registered Patent Attorney
April A. Price*

Of Counsel
Robert A. Van Vooren*
Thomas N. Kamp
Charles E. Miller*
James A. Mezvinsky
David A. Dettmann*
Michael L. Noyes
Jeffrey W. Paul

*Also Admitted in Illinois

Illinois Office
3551 7th Street, Suite 110
Moline, IL 61265

VIA EMAIL ONLY

Mr. John Zelnio
City of Moline
1630 6th Avenue
Moline, Illinois 61265

Re: Terms of Engagement/Employee and Investigation Matter

Dear Mr. Zelnio:

Thank you for retaining Lane & Waterman LLP to represent you regarding the above-referenced matter. My rate for the work to be performed is presently \$265.00 per hour. All time will be billed at the general rate. The firm's Standard Terms of Engagement are attached hereto.

Please sign this letter where indicated acknowledging your acceptance of both the terms of this letter and our Standard Terms of Engagement. If you have any questions regarding the terms of engagement, please feel free to contact me. Thank you for selecting Lane & Waterman LLP to act as your attorneys, we appreciate the opportunity to work with you.

Very truly yours,

LANE & WATERMAN LLP

By 
Mikkie R. Schiltz

MRS/jrb
Attachment

LANE & WATERMAN LLP
ATTORNEYS AT LAW SINCE 1854

Mr. John Zelnio
September 28, 2016
Page 2

The terms of engagement as described in this letter, and in the Lane & Waterman LLP Standard Terms of Engagement statement are agreed to and accepted this _____ day of _____, 2016.

By _____
John Zelnio

(Please sign and return one copy of this letter.)

Lane & Waterman LLP

Standard Terms of Engagement

We are pleased that you have retained Lane & Waterman LLP ("Lane & Waterman") to provide legal services. This document sets forth standard terms of engagement concerning how our services will be provided. Please review this document carefully and retain it with your files. If you have any questions about how our legal services will be provided, how you will be billed, the scope of our representation or any other matter related to this document, please contact a member of the firm promptly.

Your Primary Attorney. Typically one attorney will act as your primary contact with the firm. Your primary attorney, in the exercise of his or her professional judgment, may involve other lawyers, legal assistants or non-legal professionals possessing special knowledge or experience or who may perform work in a more efficient manner.

The Scope of Our Services. Our engagement letter to you sets forth the specific matter for which representation will be provided. We will zealously represent you in a professional and ethical manner. If you have any questions regarding our scope of representation, please contact your primary attorney.

At times we may be called upon to express opinions of law or anticipated outcomes. Such opinions are limited by our knowledge of the facts at the time the opinion is rendered, the present state of the law and, at times, factors that are unknown or beyond our control. Although we will use our best professional judgment, we cannot guarantee the outcome of any matter.

The Client. Lane & Waterman will provide representation for only the person(s) or entity identified in our engagement letter. In matters related to corporations, partnerships and other entities, our representation does not extend to officers, directors, employees, shareholders, partners, members, or other individuals. Additionally, our representation of an entity does not extend to its affiliates (such as parent, sister or subsidiary corporations).

Hourly Charges. Unless other arrangements are made, our billing for legal services will be on a per hour basis broken down into one-tenth of an hour increments. Our rates are determined based on a number of factors including;

- The years of experience and reputation that the lawyer or legal professional possesses;
- The specialization and training required to develop expertise in the area of practice;
- The complexity of the area of law or legal issues presented;
- The amount of money or value of property involved;
- The risk assumed by the firm in performing certain types of work; and
- The nature of our professional relationship with you.

We are often asked to provide estimates regarding what the cost of our representation on a given matter will equal. We are pleased to provide such estimates when, in our professional judgment, they can be made. Unless we agree in writing to perform a specific project for a fixed fee, an estimate will not represent a maximum, minimum or agreed charge.

Retainers. Any requested retainer will be held in trust to secure payment of our legal fees and expenses. Typically, the retainer fee will be held to secure the final invoice and you will be billed monthly for services. It is understood, however, that Lane & Waterman may withdraw amounts from the retainer at any time as may be necessary to satisfy outstanding invoices. If at any time the retainer proves insufficient to cover past due invoices or falls below the agreed amount, you will be called upon to replenish the retainer amount. Any trust amounts remaining after all legal services have been paid for will be returned to you. Interest paid on Lane & Waterman's trust account is paid over to the Iowa Trust Account Commission and not kept by the firm. Accordingly, you will not earn or be paid interest on the retainer fee balance, unless other arrangements are made with the firm.

Reimbursement of Expenses. In addition to per-hour charges, we will expect reimbursement for out-of-pocket expenses such as out-of-town travel, meals, lodging, court costs, long distance charges, overnight delivery charges, copying services, and the actual charges of on-line computer databases for legal research and investigation of matters on your behalf. We do not bill direct or indirect overhead items such as secretarial time, word processing time and the like, nor do we build in a profit factor in connection with out-of-pocket expenses. It is our policy that outside providers of services (such as the fees of outside consultants, expert witnesses, appraisers and court reporters) bill you directly.

Billing of Services. Typically, our billing statements will be mailed monthly one to two months after services have been provided. Payment is expected promptly upon receipt of the statement. If you have any questions about a bill, please contact your primary attorney.

Termination of Representation. You may terminate our representation at any time, with or without reason, by notifying us in writing. We have the same right and, at our option, may discontinue providing services upon providing you with a written notice. If you fail to pay invoices in a timely manner, we may exercise our right to cease providing further services until outstanding invoices have been paid or alternative arrangements for payment have been made. Your termination of our representation in no way relieves you of the obligation to pay for legal services that have been provided prior to the time of termination and that are necessitated to make an orderly transfer of our file materials.

Upon termination of our representation for any reason, we will return your papers, documents and other property to you upon receipt of your request for them. We may, and likely will, retain a copy of the materials returned to you. If you have outstanding invoices owing to the firm, we may have the right to retain your documents if they are properly subject to a lien.

At such time as we have completed the scope of work for which we have been retained, we will consider our representation to have ended. If you later retain us to perform further or additional work, our future representation will be subject to the terms of and understanding set forth herein, unless other terms and conditions are expressly agreed to.

We keep and store general legal matter files for ten years after the date of the last legal service performed. Thereafter, the file and all of its contents will be permanently destroyed without further notice to you. You may retrieve your file and all of its contents at any time during that period. Wills, estates, real estate purchases, business acquisitions and adoption files will be maintained, either in hard copy or electronically.

Conflicts of Interest. Conflicts of interest are a concern for Lane & Waterman and the clients we represent. We attempt to identify actual and potential conflicts at the outset of any engagement, and may request that you sign a conflict waiver before we accept an engagement from you. Occasionally, other clients or prospective clients may ask us to seek a conflict waiver from you so that we can accept an engagement on their behalf. Please do not take such a request

to mean that we will represent you less zealously; rather, that we take our professional responsibilities to all clients and prospective clients very seriously.

Unfortunately, conflicts sometimes arise or become apparent after work begins on an engagement. When that happens, we will do our best to address and resolve the situation in the manner that best serves the interests of all of our affected clients.

Because we are a large firm, we may be asked to represent someone whose interests may be adverse to yours. We are accepting this engagement on the understanding that our representation of you will not preclude us from accepting any other engagement from any existing or new client provided that (i) such engagement is not substantially related to the subject matter of any services we are providing to you and (ii) in accepting such other engagement we would not impair the confidentiality of proprietary, sensitive or otherwise confidential communications you have made to us.

E-Mail and Cellular Phone Authorization. Lane & Waterman is able to communicate with clients via electronic mail over the internet ("e-mail") and many of our attorneys utilize cellular phones. With e-mail, current technology cannot eliminate the risk that confidences and/or secrets otherwise protected by the attorney/client privilege may be viewed by unauthorized third parties and the privilege thereby lost. As to both means of communication, sensitive, confidential and proprietary materials of the client may be intercepted by unauthorized third parties.

It is the policy of Lane & Waterman that prior to communicating with a client or sending information proprietary to the client via e-mail or over a cellular phone that the client specifically authorize such communication after having been advised:

- (a) of the risk of the loss of the attorney/client privilege and that sensitive, confidential or proprietary material may be inadvertently disclosed to unauthorized third parties;
- (b) that Lane & Waterman does not currently utilize encryption technology or other equivalent security systems when sending information over the internet; and
- (c) that the client has the right to specifically direct not to send the client sensitive, confidential or proprietary materials via e-mail or to utilize a cellular phone when communicating.

Unless you specifically provide direction to the contrary, your signed acknowledgment of Lane & Waterman's Standard Terms of Engagement will indicate your review of this policy statement on the use of e-mail and cellular phones and will specifically authorize Lane & Waterman to utilize e-mail, to send information over the Internet to communicate with you and with third parties and to utilize cellular phones. By acknowledging the Standard Terms of Representation you agree to assume the risk of inadvertent disclosure and the risk of the loss of attorney/client privilege as it relates to information being transmitted. You retain the right to direct Lane & Waterman not to send specific items of information via the internet, by e-mail or over a cellular phone. This authorization shall remain in effect until revoked in writing.

Individual Clients - Privacy Rights. Your privacy is important to us, and maintaining your trust and confidence is one of our highest priorities. We respect your right to keep your personal information confidential and understand your desire to avoid unwanted solicitations. In that regard, attorneys, like other professionals who advise on personal financial matters (e.g. banks, brokerage houses, and other financial institutions), may be required by a new federal law (Gramm-Leach-Bliley Privacy Act) to inform their clients of their policies regarding privacy of

client information. We are more than happy to do so.

Attorneys have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by this new law. Therefore, we have always protected your right to privacy and will continue to do so.

In the course of providing our clients with income tax, estate tax, and gift tax advice, we receive significant personal financial information from our clients. As a client of Lane & Waterman, you should know that all information that we receive from you is held in confidence, and is not released to people outside the firm, except as agreed to by you, or as required under an applicable law.

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain physical, electronic and procedural safeguards that comply with our professional standards to guard your personal information from unauthorized access.

Please feel free to contact the attorney at the Firm responsible for the matters you have engaged us to address on your behalf if you have any questions regarding this policy.

06/03/2008

Lane & Waterman LLP

Standard Terms of Engagement

We are pleased that you have retained Lane & Waterman LLP ("Lane & Waterman") to provide legal services. This document sets forth standard terms of engagement concerning how our services will be provided. Please review this document carefully and retain it with your files. If you have any questions about how our legal services will be provided, how you will be billed, the scope of our representation or any other matter related to this document, please contact a member of the firm promptly.

Your Primary Attorney. Typically one attorney will act as your primary contact with the firm. Your primary attorney, in the exercise of his or her professional judgment, may involve other lawyers, legal assistants or non-legal professionals possessing special knowledge or experience or who may perform work in a more efficient manner.

The Scope of Our Services. Our engagement letter to you sets forth the specific matter for which representation will be provided. We will zealously represent you in a professional and ethical manner. If you have any questions regarding our scope of representation, please contact your primary attorney.

At times we may be called upon to express opinions of law or anticipated outcomes. Such opinions are limited by our knowledge of the facts at the time the opinion is rendered, the present state of the law and, at times, factors that are unknown or beyond our control. Although we will use our best professional judgment, we cannot guarantee the outcome of any matter.

The Client. Lane & Waterman will provide representation for only the person(s) or entity identified in our engagement letter. In matters related to corporations, partnerships and other entities, our representation does not extend to officers, directors, employees, shareholders, partners, members, or other individuals. Additionally, our representation of an entity does not extend to its affiliates (such as parent, sister or subsidiary corporations).

Hourly Charges. Unless other arrangements are made, our billing for legal services will be on a per hour basis broken down into one-tenth of an hour increments. Our rates are determined based on a number of factors including;

- The years of experience and reputation that the lawyer or legal professional possesses;
- The specialization and training required to develop expertise in the area of practice;
- The complexity of the area of law or legal issues presented;
- The amount of money or value of property involved;
- The risk assumed by the firm in performing certain types of work; and
- The nature of our professional relationship with you.

We are often asked to provide estimates regarding what the cost of our representation on a given matter will equal. We are pleased to provide such estimates when, in our professional judgment, they can be made. Unless we agree in writing to perform a specific project for a fixed fee, an estimate will not represent a maximum, minimum or agreed charge.

Retainers. Any requested retainer will be held in trust to secure payment of our legal fees and expenses. Typically, the retainer fee will be held to secure the final invoice and you will be billed monthly for services. It is understood, however, that Lane & Waterman may withdraw amounts from the retainer at any time as may be necessary to satisfy outstanding invoices. If at any time the retainer proves insufficient to cover past due invoices or falls below the agreed amount, you will be called upon to replenish the retainer amount. Any trust amounts remaining after all legal services have been paid for will be returned to you. Interest paid on Lane & Waterman's trust account is paid over to the Iowa Trust Account Commission and not kept by the firm. Accordingly, you will not earn or be paid interest on the retainer fee balance, unless other arrangements are made with the firm.

Reimbursement of Expenses. In addition to per-hour charges, we will expect reimbursement for out-of-pocket expenses such as out-of-town travel, meals, lodging, court costs, long distance charges, overnight delivery charges, copying services, and the actual charges of on-line computer databases for legal research and investigation of matters on your behalf. We do not bill direct or indirect overhead items such as secretarial time, word processing time and the like, nor do we build in a profit factor in connection with out-of-pocket expenses. It is our policy that outside providers of services (such as the fees of outside consultants, expert witnesses, appraisers and court reporters) bill you directly.

Billing of Services. Typically, our billing statements will be mailed monthly one to two months after services have been provided. Payment is expected promptly upon receipt of the statement. If you have any questions about a bill, please contact your primary attorney.

Termination of Representation. You may terminate our representation at any time, with or without reason, by notifying us in writing. We have the same right and, at our option, may discontinue providing services upon providing you with a written notice. If you fail to pay invoices in a timely manner, we may exercise our right to cease providing further services until outstanding invoices have been paid or alternative arrangements for payment have been made. Your termination of our representation in no way relieves you of the obligation to pay for legal services that have been provided prior to the time of termination and that are necessitated to make an orderly transfer of our file materials.

Upon termination of our representation for any reason, we will return your papers, documents and other property to you upon receipt of your request for them. We may, and likely will, retain a copy of the materials returned to you. If you have outstanding invoices owing to the firm, we may have the right to retain your documents if they are properly subject to a lien.

At such time as we have completed the scope of work for which we have been retained, we will consider our representation to have ended. If you later retain us to perform further or additional work, our future representation will be subject to the terms of and understanding set forth herein, unless other terms and conditions are expressly agreed to.

We keep and store general legal matter files for ten years after the date of the last legal service performed. Thereafter, the file and all of its contents will be permanently destroyed without further notice to you. You may retrieve your file and all of its contents at any time during that period. Wills, estates, real estate purchases, business acquisitions and adoption files will be maintained, either in hard copy or electronically.

Conflicts of Interest. Conflicts of interest are a concern for Lane & Waterman and the clients we represent. We attempt to identify actual and potential conflicts at the outset of any engagement, and may request that you sign a conflict waiver before we accept an engagement from you. Occasionally, other clients or prospective clients may ask us to seek a conflict waiver from you so that we can accept an engagement on their behalf. Please do not take such a request

to mean that we will represent you less zealously; rather, that we take our professional responsibilities to all clients and prospective clients very seriously.

Unfortunately, conflicts sometimes arise or become apparent after work begins on an engagement. When that happens, we will do our best to address and resolve the situation in the manner that best serves the interests of all of our affected clients.

Because we are a large firm, we may be asked to represent someone whose interests may be adverse to yours. We are accepting this engagement on the understanding that our representation of you will not preclude us from accepting any other engagement from any existing or new client provided that (i) such engagement is not substantially related to the subject matter of any services we are providing to you and (ii) in accepting such other engagement we would not impair the confidentiality of proprietary, sensitive or otherwise confidential communications you have made to us.

E-Mail and Cellular Phone Authorization. Lane & Waterman is able to communicate with clients via electronic mail over the internet ("e-mail") and many of our attorneys utilize cellular phones. With e-mail, current technology cannot eliminate the risk that confidences and/or secrets otherwise protected by the attorney/client privilege may be viewed by unauthorized third parties and the privilege thereby lost. As to both means of communication, sensitive, confidential and proprietary materials of the client may be intercepted by unauthorized third parties.

It is the policy of Lane & Waterman that prior to communicating with a client or sending information proprietary to the client via e-mail or over a cellular phone that the client specifically authorize such communication after having been advised:

- (a) of the risk of the loss of the attorney/client privilege and that sensitive, confidential or proprietary material may be inadvertently disclosed to unauthorized third parties;
- (b) that Lane & Waterman does not currently utilize encryption technology or other equivalent security systems when sending information over the internet; and
- (c) that the client has the right to specifically direct not to send the client sensitive, confidential or proprietary materials via e-mail or to utilize a cellular phone when communicating.

Unless you specifically provide direction to the contrary, your signed acknowledgment of Lane & Waterman's Standard Terms of Engagement will indicate your review of this policy statement on the use of e-mail and cellular phones and will specifically authorize Lane & Waterman to utilize e-mail, to send information over the Internet to communicate with you and with third parties and to utilize cellular phones. By acknowledging the Standard Terms of Representation you agree to assume the risk of inadvertent disclosure and the risk of the loss of attorney/client privilege as it relates to information being transmitted. You retain the right to direct Lane & Waterman not to send specific items of information via the internet, by e-mail or over a cellular phone. This authorization shall remain in effect until revoked in writing.

Individual Clients - Privacy Rights. Your privacy is important to us, and maintaining your trust and confidence is one of our highest priorities. We respect your right to keep your personal information confidential and understand your desire to avoid unwanted solicitations. In that regard, attorneys, like other professionals who advise on personal financial matters (e.g. banks, brokerage houses, and other financial institutions), may be required by a new federal law (Gramm-Leach-Bliley Privacy Act) to inform their clients of their policies regarding privacy of

client information. We are more than happy to do so.

Attorneys have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by this new law. Therefore, we have always protected your right to privacy and will continue to do so.

In the course of providing our clients with income tax, estate tax, and gift tax advice, we receive significant personal financial information from our clients. As a client of Lane & Waterman, you should know that all information that we receive from you is held in confidence, and is not released to people outside the firm, except as agreed to by you, or as required under an applicable law.

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain physical, electronic and procedural safeguards that comply with our professional standards to guard your personal information from unauthorized access.

Please feel free to contact the attorney at the Firm responsible for the matters you have engaged us to address on your behalf if you have any questions regarding this policy.

06/03/2008

Council Bill/Resolution No. 1140-2016

Sponsor: _____

A RESOLUTION

AUTHORIZING Alderman John Zelnio and Finance Director Kathy Carr to execute agreements necessary to contract services for an independent forensic audit in an amount not to exceed \$100,000 and

AUTHORIZING the Finance Director coordinate the audit and serve as liaison to the auditing firm and to be given full administrative rights to Naviline.

WHEREAS, the City Council seeks to execute an agreement for professional services for an independent forensic audit to investigate allegations of employee misconduct; and

WHEREAS, the City Council appoints Kathy Carr as the liaison for the audit and directs that she be given full administrative rights to Naviline.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That Alderman John Zelnio and Finance Director Kathy Carr are hereby authorized to execute agreements necessary for an independent forensic audit in an amount not to exceed \$100,000; provided, however, that said agreements have been approved as to form by the City Attorney; and further that Kathy Carr is authorized full administrative rights to Naviline and to coordinate the audit and act as the staff liaison for the audit.

CITY OF MOLINE, ILLINOIS

Mayor

September 30, 2016

Date

Passed: September 30, 2016

Approved: _____

Attest: _____
City Clerk

Approved as to form:

City Attorney