

CHAPTER 274
FORMERLY
HOUSE BILL NO. 297

AN ACT TO AMEND THE CHARTER OF THE CITY OF SEAFORD RELATING TO FISCAL PROCEDURES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE (Two-thirds of all members elected to each house thereof concurring therein):

Section 1. Amend Section 14 of the Charter of the City of Seaford by making deletions as shown by strike through and insertions as shown by underline as follows:

Section 14. Contracts

(a)(1) ~~It shall be~~ Except as provided under paragraph (a)(2) of this section, it is unlawful for the City Council to make or enter into any contract in excess of ~~Five Hundred Dollars (\$500.00)~~ \$500 for materials, supplies, ~~work~~ work, or labor for the benefit and use of the City of Seaford with any of the following:

- a. ~~member A member~~ A member of the City ~~Council Council~~.
- b. ~~or the Mayor~~ The Mayor.
- c. ~~or with any A~~ A partnership in which any member of the City Council or the Mayor is a general ~~partner partner~~.
- d. ~~or with any A~~ A corporation in which any member of the City Council or the Mayor is a director or controlling ~~stockholder stockholder~~.
- e. ~~or with any A~~ A firm or company in which any member of the City Council or the Mayor is pecuniarily ~~interested, interested~~.

(2) ~~provided that if~~ The City may enter into a contract prohibited under paragraph (a)(1) of this section if all the elected members of the City Council ~~shall~~ vote to enter into such contract, then the City may enter into such a contract: the contract.

(3) ~~Any such A~~ A contract executed without ~~such the~~ the unanimous vote ~~shall be~~ required under paragraph (a)(2) of this section is absolutely null and void.

(b) ~~All~~ Except as provided under subsections (c) and (d) of this section, all contracts for the purchase of materials or for the furnishing of services authorized or permitted by this Charter ~~shall~~ must be accomplished by advertising and by competitive bidding in the awarding of contracts to the lowest responsible ~~bidder; bidder~~.

(c) ~~PROVIDED HOWEVER, that competitive bidding shall not be~~ Advertising and competitive bidding are ~~not~~ not required under any of the following circumstances:

1- (1) The aggregate amount involved is not more than ~~Twenty five Thousand Dollars (\$25,000)~~ \$25,000.

(2) For purchases related to a Department of Public Works or Department of Electric project in which the aggregate amount involved is not more than \$50,000.

~~2- (3)~~ (3) The purchase or contract is for personal or for professional ~~services; services~~.

~~3-~~ (4) The purchase or contract is for any service rendered by a university, college, or any other educational ~~institution;~~ institution.

~~4-~~ (5) The purchase or contract is for any service to be rendered by the State of Delaware or any political subdivision ~~thereof;~~ of the State.

~~5-~~ (6) The purchase or contract is for property or services for which it is impracticable to obtain ~~competition;~~ competition.

~~6-~~ (7) The public exigency as determined by ~~city council~~ City Council will not permit the delay incident to ~~advertising;~~ advertising or competitive bidding.

~~7-~~ (8) The purchase or contract is for property or services for which the City Council determines the price received after competitive bidding are unreasonable as to all parts of the requirements or were not independently reached in open ~~competition;~~ competition.

~~8-~~ (9) A public emergency as determined by the City Manager exists.

~~9-~~ (10) Contracts in which the City Council directly contracts for the procurement of labor or material for public improvements for the benefit of a special development district or a tax increment financing district created or designated by the Council. The provision includes a contract between the City Council and an owner of real property located in a special development district or tax increment financing district which provides for the transfer to the City Council from the owner of work performed by and the cost of labor or materials provided by the owner for the benefit of the district.

(d) An advertisement for bid is not required for a purchase related to a Department of Public Works or Department of Electric project in which the aggregate amount involved is between \$50,000 and \$99,999. However, the Director of the Department of Public Works and the Director of the Department or Electric must solicit competitive, written proposals from a minimum of 3 contractors and may select a contractor based on past performance and experience on projects of similar magnitude.

Section 2. Amend Section 37 of the Charter of the City of Seaford by making deletions as shown by strike through and insertions as shown by underline as follows:

Section 37. Floating Debt.

(a) The City Council of the City of Seaford ~~shall have full power and authority to~~ may anticipate revenue by borrowing upon the faith and credit of The City of Seaford ~~the sum or sums of, not exceeding Two Million Dollars (\$2,000,000)~~ not more than \$3 million in any one fiscal year, when, in the opinion of the majority of the ~~said~~ City Council, the needs of the City of Seaford demand it.

(b) The City Council may secure ~~such sum or sums of money so~~ the amount borrowed under subsection (a) of this section by promissory notes of the City executed by the Mayor and attested by the Secretary of City Council, either with or without the corporate seal of The City of Seaford affixed as is requested by the Bank or persons advancing the money on ~~said notes, and~~ the notes.

~~(c) no~~ An officer or Councilman shall be ~~is not~~ personally liable for the payment of ~~such a note issued under~~ subsection (b) of this section because it is signed by them as officers or Councilmen of The City of Seaford, and is authorized by the Resolution of the City ~~Council;~~ Council.

~~(d) provided, however, that any sum of money~~ An amount borrowed under subsection (a) of this section on the faith and credit of The City of ~~Seaford, as aforesaid,~~ Seaford in any fiscal ~~year, shall be~~ year must be paid out of the general funds of the City at the minimum rate of ~~ten per centum (10%)~~ 10% per fiscal year and ~~shall be~~ must be completely paid at the end of ~~ten (10)~~ 10 fiscal years following the first fiscal year which ~~said the~~ the money was borrowed with the interest ~~thereon,~~ on the money.

~~(e) and no~~ No part of the principal of nor the interest on any borrowing authorized by this ~~Section shall be~~ section is taxable by the State of Delaware nor any political subdivision ~~thereof.~~ of the State.

Approved August 6, 2020