

RELEASED AT THE TUESDAY, NOVEMBER 8, 2016 COUNCIL MEETING

APPROVED AND SEALED AT THE JULY 13, 2010 TOWN COUNCIL MEETING

**CLOSED SESSION MINUTES
MOREHEAD CITY, N.C.**

TUESDAY, JUNE 8, 2010

The Council met in CLOSED SESSION in the Municipal Chambers at 202 South 8th Street, Morehead City, N.C., during a regular meeting of the Town Council held on Tuesday, June 8, 2010, at 5:30 p.m., to discuss property acquisition as per G.S. 143.318.11[a][5][i]. Those in attendance were: Mayor Gerald A. Jones, Jr., Councilmen George W. Ballou, Paul W. Cordova, David Horton, John F. Nelson, Demus L. Thompson, City Manager R. Randy Martin, City Attorneys Nelson Taylor, III, Derek Taylor and Michael Thomas, and City Clerk Jeanne M. Giblin.

MINUTES:

Councilman Horton requested that the CLOSED SESSION Minutes of Tuesday, April 13, 2010 be released.

It was ascertained that as per the regular procedure, the City Manager and City Clerk need to review the CLOSED SESSION Minutes and have Council approve their release. Of particular interest were the minutes of January 25th, 29th and February 9th, 2010.

PROPERTY ACQUISITION ON TREATMENT PLANT ROAD:

The Council requested City Attorney Derek Taylor bring them up to date on the acquisition of the Treatment Plant Road property which was discussed in CLOSED SESSION on May 11, 2010.

City Attorney Derek Taylor reported that in researching Lot #3 on Treatment Plant Road it was discovered that the present owner Mr. Clayton Davis cannot give clear title and therefore, anyone purchasing the property would not be able to get title insurance. One of the persons who had an interest in the property died without a will leaving nine [9] alive children who each have a very small interest [approximately \$600] in the chain of title. Without a clear title, Mr. Davis will not be able to get full value for the property and City Attorney Derek Taylor was of the opinion that Mr. Davis does not have the resources to acquire a clear title.

City Attorney Taylor explained that the City may want to acquire the property through a partitioning proceeding, however, that would require some costs [approximately \$5,000].

Councilman Horton was of the opinion that instead of spending money on litigation for a small piece of property, the City should just claim it.

Councilman Thompson was of the opinion for the City to place \$600 per person in escrow so that the heirs could be compensated.

The Council debated acquiring the property without a clear title, but at a reduced price.

Councilman Thompson offered that if the City were not in imminent need for the property, not to acquire it at this time, but perhaps at a later date.

Manager Martin commented that if the title were clear, the City should purchase it as it would be helpful for future possible wastewater treatment plant expansion or other needs of the City.

City Attorney Taylor counseled that the City could petition the court to put the property up for sale with the City being able to bid for it, however, this could potentially have the City dealing with more owners of the property. He continued that Mr. Davis is upset that the City cannot acquire the property and give him the funds.

Councilman Horton commented that the location of the property was the only reason it could be sold as reasonably as it is priced.

City Attorney Derek Taylor advised that the options were:

- Take the risk as Councilman Horton suggested.
- Proceed to purchase the property with all the faults with a lower price. Reduce the price according to the interests of the other heirs.
- Proceed with a partitioning procedure.
- Condemn the property, but this is expensive.
- Try to work it out with the potential heirs and have them sign off on the deed.

Manager Martin commented that in his opinion, the City would regret not acquiring the property as it is clearly worth the money the City would be willing to pay.

The consensus of the Council was to authorize the City Attorney to make an effort to contact the individual heirs to see if they were willing to give up their interests in the property.

Councilman Nelson MOVED, seconded by Councilman Thompson, and carried unanimously, to return to OPEN SESSION.



Town of Morehead City

A handwritten signature in black ink, appearing to read "Gerald A. Jones, Jr.", is written over a horizontal line.

Gerald A. Jones, Jr., Mayor

Attest:

A handwritten signature in black ink, appearing to read "Jeanne M. Giblin", is written over a horizontal line.

Jeanne M. Giblin, City Clerk