

**RELEASED AT THE TUESDAY, NOVEMBER 8, 2016 COUNCIL MEETING**

**APPROVED & SEALED AT THE AUGUST 14, 2012, COUNCIL MEETING**

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

**TUESDAY, JULY 10, 2012**

The Council met in CLOSED SESSION in the Morehead City Train Depot, 1001 Arendell Street, Morehead City, N.C., during the Regular Meeting of the Town Council held on Tuesday, July 10, 2012, at 5:30 p.m., to consult with the City Attorney regarding potential litigation as per G.S. 143.318.11[a][3]. Those in attendance were: Mayor Gerald A. Jones, Jr., Councilmen George W. Ballou, William F. Taylor, Demus L. Thompson, Harvey N. Walker, Jr., Councilwoman Diane C. Warrender, Interim City Manager Peter T. Connet, City Attorneys Nelson W. Taylor, III, Derek Taylor, Public Works Director David McCabe and City Clerk Jeanne M. Giblin.

**POTENTIAL LITIGATION – POLICE DEPARTMENT BUILDING, 300 NORTH 12<sup>TH</sup> STREET**

City Attorney Derek Taylor reported that the general contractor for the construction of the Police Department building has stated that the floor damage as a result of Hurricane Irene is retaining too much moisture to complete the project.

City Attorney Derek Taylor is in receipt of an insurance check with an August 6, 2012, deadline in the amount of \$17,000 for the floor damage, however, there is a release statement on the back of the check. City Attorney Derek Taylor advised against cashing the check because of the language contained in the statement and the fact that the project has not been completed to the City's satisfaction. The insurance carrier for Raleigh Glass Company has paid for the Hurricane Irene damage, however this does not cover all the costs. The general contractor has requested the entire amount of the check and has stated they will complete the work.

Mayor Jones commented that it is the general contractor's obligation to complete the work and that a local flooring specialist, Frank Eastman, advises that a sealant can now be applied. However, Mayor Jones would like a second opinion on the flooring matter.

Councilman Thompson commented that the insurance check should be sent back with an attorney's strong letter.

City Attorney Derek Taylor advised that the ultimately the liability lies with the general contractor.

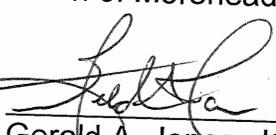
Mayor Jones stated that action needed to be taken and that the project needs to be warrantied. He advised checking if any other flooring specialist would be able to give an estimate for the project.

The Council concurred with the City Attorney not to cash the received insurance check.

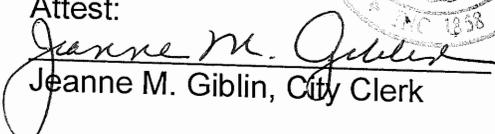
***Councilman Thompson MOVED, seconded by Councilman Taylor, and carried unanimously, to return to OPEN SESSION.***



Town of Morehead City

  
Gerald A. Jones, Jr., Mayor

Attest:

  
Jeanne M. Giblin, City Clerk