

Town of Spring Lake
Closed Session Meeting of the Board of Aldermen
Municipal Building
300 Ruth Street
Spring Lake, NC 28390

April 12, 2021

GENERAL ACCOUNT

7:20 p.m.

Persons present:

Mayor Pro Tem Aziz, Alderman O'Garra, Alderwoman Sutherland, Jonathan Charleston, Alderwoman Cooper, Alderwoman Jackson (via Zoom), Samantha Wullenwaber, and Melissa Pereira.

G.S. 143-318.11(a)(6) – Personnel

G.S 143-318.11(a)(1) – Privilege Information

G.S 143-318.11(a)(3) – Attorney Client Privilege

Mrs. Wullenwaber asked the Audit Committee for the Spring Lake Property Acquisitions could meet on Zoom? Mrs. Wullenwaber stated the purpose of this meeting is to appoint the officers so we can gain control of the bank account.

Mrs. Wullenwaber stated we have interest payments of \$8,691 that's two months past due. Mrs. Charleston stated we received a call from the State Auditor requesting all the Acquisitions.

Mayor Pro tem Aziz asked are these Acquisitions stupidity or criminality? Mr. Charleston stated he don't know but there is some concern with the Local Government Commission.

Mrs. Wullenwaber discussed she has been talking with the LGC and the loan payment is \$800k plus at 60 months. Mrs. Wullenwaber stated the loan being less than 60 months; the LGC did not need to review. Mrs. Wullenwaber stated the Town does not have the funds to pay, and we need to talk to the bank about restricting that loan.

Alderwoman Cooper expressed concerns about the \$8,000 payments being made. Mrs. Wullenwaber stated she will look what line item its being paid. Mrs. Wullenwaber stated she don't know because she doesn't have control and it appears there are missing documents.

Alderwoman Cooper expressed concerns about no budget amendments being created.

Alderwoman Sutherland expressed concerns about the criminality and we should pay the bank.

Alderwoman Cooper expressed her concerns about the \$800k payment should be appropriated in our budget.

Alderman O'Garra expressed concerns about the payments.

Alderwoman Jackson expressed concerns about the liability of payments.

Mrs. Wullenwaber discussed we are waiting on a title search from Carl Manning before we can move forward and close. Mrs. Wullenwaber stated we will receive a little under \$72k for the eight properties.

Mrs. Wullenwaber discussed she found a contract from Southern Resources Advisors entailing sales tax refund. Mrs. Wullenwaber stated that Southern Resources recouped over 5 years of sales tax from the Town. Mrs. Wullenwaber stated the agreement was signed by Daniel Gerald and later signed by Mayor Dobbins. Mrs. Wullenwaber stated they have recouped over \$89k last year, and filed for another \$69k year prior, and this year over \$100k because Mr. Huffman gets 35 percent. Mrs. Wullenwaber stated an estimated \$253,721 and Mr.

Huffman gets 35%. Mrs. Wullenwaber stated she has stop contract and we can do this in house.

Mrs. Wullenwaber showed the contract to the Board. Mrs. Wullenwaber stated the previous Town Manager was negotiating electricity and cable on behalf on the Town, and if he lowers the rates, he could get 50% of profit each quarter.

Alderwoman Sutherland expressed concerns with no knowledge of contracts.

Alderman O'Garra asked about the COVID Funds. Mrs. Wullenwaber stated we have to be good stewards of the money because it's a once in a lifetime.

Mrs. Wullenwaber stated she was contacted by a William Harbor who owns the car wash on Bragg Blvd. Mrs. Wullenwaber stated there's a contract signed by Daniel Gerald and a few others purchasing land for \$175k on May 11, 2020. Mrs. Wullenwaber stated there was no deposit for land purchase. Mrs. Wullenwaber stated Tony McNeil, Daniel Gerald, and Leland.

Mr. Charleston stated there was a letter that went to the Harbor's stating the Town would purchase 1.8 acres of land at a cost of \$175K by August 2020.

Alderman O'Garra stated that economic development was going to put a movie cinema on the land. Alderman O'Garra stated they had a buyer out of Atlanta. Mrs. Wullenwaber stated it was Project Ironman.

Alderwoman Sutherland expressed concerns how these contracts never went before the Board for approval.

Alderwoman Cooper expressed concerns with certain Board members having knowledge about projects.

Mrs. Wullenwaber stated Mr. Bob Stafford was offered an incentive package, and on behalf of the Town that will not happen. Mrs. Wullenwaber stated we don't offer incentives for residential areas.

Mrs. Wullenwaber stated we own land off of Odell Rd. Mrs. Wullenwaber stated Mr. Stafford stated he was told he could buy the land for \$500. Mrs. Wullenwaber stated the land is worth \$16k.

Alderman O'Garra expressed concerns with the price of homes. Mrs. Wullenwaber discussed the prices are in the \$200k.

Mrs. Wullenwaber discussed Project Candyland, the popcorn factory.

Mrs. Wullenwaber discussed these projects have to stand on their own.

Mrs. Wullenwaber discussed Project Ironman, Project Lemonade, and Project Big Cheese and meeting Ann Locklear who works with these projects.

Alderwoman Sutherland expressed her thanks for Mrs. Wullenwaber for sharing the contracts that were kept from the Board.

The Closed Session ended at 9:36 p.m.

Melissa Pereira
Deputy Town Clerk

ATTEST:

Larry G. Dobbins
Mayor