



**SURFSIDE BEACH TOWN COUNCIL
SPECIAL COUNCIL MEETING MINUTES
JANUARY 16, 2012 ♦ 9:00 A.M.
TOWN COUNCIL CHAMBERS**

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1. **CALL TO ORDER.**

Mayor Deaton called the meeting to order at 9:00 a.m. Mayor Deaton, Mayor Pro Tempore Childs, and Councilmembers Blair, Dodge, Johnson, Samples, and Smith were in attendance; a quorum was present. Staff present: Administrator Duckett and Deputy Administrator Fellner. Others present: Town Attorney Moss, Town Attorney Smith, and Town Clerk Herrmann.

2. **BUSINESS.**

Contract Negotiations for Surfside Pier Restaurant Space. Mayor Deaton explained that the special meeting was called to consider a proposed contract for the pier restaurant space, and called for motion to enter executive session.

3. **EXECUTIVE SESSION.**

Mr. Smith moved to enter executive session at 9:00 a.m. Mr. Johnson seconded. Mr. Samples believed the public would benefit from an update on the pending lawsuit that might impact the proposed contract. He also had basic questions about the contract term and whether council might take the information offered today under consideration for future action. In his opinion, it was desirable to have as much public transparency as possible. Ms. Dodge agreed, saying that the more open the council can be, the better it would be for the public and the town. Mayor Deaton agreed, and said the meeting today was called to consider a presentation by the town attorney and town administrator. He believed it was appropriate to do so in executive session before answering questions or holding discussion in public. Mayor Deaton, Mayor Pro Tem Childs, and Councilmembers Blair, Dodge, Johnson, and Smith voted in favor. Councilmember Samples voted against. **MOTION CARRIED.** Council adjourned to executive session at 9:04 a.m.

Mayor Deaton announced that no action was taken during executive session and called for motion to reconvene regular session. Mr. Smith moved to reconvene regular session at 10:24 a.m. Mr. Samples seconded. All voted in favor. **MOTION CARRIED.**

Mr. Smith moved to authorize and direct the administrator to enter into a lease agreement with Atlantic Restaurant Group, LLC, for an initial term of five (5) years that includes one option to renew for an additional term of five (5) years for a sum certain, and two (2) subsequent options to renew at a price to be agreed upon or determined by a panel of commercial real estate appraisers. Mr. Samples seconded.

Mr. Moss said that requests for proposals had been let twice in attempts to find a tenant for the restaurant pier space without success. The Attorney General's opinion was sought after a suggestion by Mayor Pro Tem Childs, whom concurred that having twice tried to competitively to find a tenant, the town should try to negotiate one-on-one to locate a tenant. The administrator was able to locate a prospective tenant whose offer was considered today. Mr. Moss believed it was proper to consider the offer as a result of the on-going negotiations having not been successful obtaining a tenant competitively.

Mr. Duckett said Mr. Bill Howard, one of the principals, was introduced to him in October 2011. At that time, Mr. Howard said if a tenant had not been located by December that he would like to discuss the space with him. As a result of their conversation, Mr. Howard and Mr. Roth contacted him to present a written proposal. Several meetings resulted in the contract presented today. Due diligence was completed prior to bring the offer to council to insure the principals' and the company's stability. Mr.

56 Duckett outlined the proposal to lease the commercial restaurant space, which is on file, and was made
57 available to the public immediately after the meeting.
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59 All voted in favor. **MOTION CARRIED.**
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61 11. **ADJOURNMENT.**
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63 Mr. Smith moved to adjourn the meeting at 10:32 a.m. Mr. Childs seconded. All voted in favor.
64 **MOTION CARRIED.**
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66 Respectfully submitted,
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69 Debra E. Herrmann, CMC, Town Clerk
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71 Approved: January 24, 2012
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73 _____
74 K. Allen Deaton, Mayor
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76 _____
77 Vicki W. Blair, Town Council
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79 _____
80 Robert F. Childs, III, Mayor Pro Tempore
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83 Ann Dodge, Town Council
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85 _____
86 Mark L Johnson, Town Council
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88 _____
89 Douglas F. Samples, Town Council
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92 Roderick E. Smith, Town Council
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94 Clerk's Note: This document constitutes minutes of the meeting, which was audio taped. This meeting was transcribed by Town Clerk Herrmann. In
95 accordance with FOIA, meeting notice and the agenda were distributed to local media and interested parties. A complete list is on file in the clerk's
96 office. The agenda was posted on bulletin boards outside Council Chambers and in the Town Hall reception area. Meeting notice was also posted on
97 the Town marquee. When (***) is used a section of the transcription is inaudible.
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