

**TOWN OF HOPE MILLS  
CLOSED SESSION MINUTES  
MONDAY, FEBRUARY 23, 2015**

Mayor Warner called the Closed Session to order at 10:46 p.m.

Mayor Jackie Warner, Mayor Pro Tem Bob Gorman, Commissioners Pat Edwards, Bryan Marley, Edwin Deaver and Jerry Legge were present.

Others present were Town Manager John W. Ellis, III, Town Clerk Melissa Adams and Town Attorney T.C. Morphis.

**PURPOSE:** Closed Session was called pursuant to NCGS 143-318.11 (a) (3) to consult with the attorney and maintain the attorney-client privilege.

Item 1.

Attorney Morphis gave the Board of Commissioners a power point presentation of the proposed ASI contract for the Hope Mills Dam. Mr. Morphis reviewed the scope of the work covered in the contract; replace the dam, perform necessary engineering work to perform the repair, perform necessary demolition, clear the lake bed, "as necessary" restore facilities adjacent to the dam, and the parties will establish the final elevation for the lake.

Mr. Morphis reviewed the outlined cost and payment structure of the contract; the "GMP" Guaranteed Maximum Price, liquidated damages, payment adjustments, progress payments and retainage.

Mr. Morphis detailed the conditions in Article 4 and Article 5; Bonds and Insurance. Mr. Morphis continued with the power point presentation outlining the terms of suspension or termination of the contract and dispute resolution.

Attorney Morphis remarked that the lake level has yet to be determined so it is not outlined in the contract and will likely be negotiated later on in the process.

Mr. Morphis reviewed the items that have not been decided upon such as; the schedule of Values for Unit Price Work, the proposed Design/Builder fee, ASI's insurance carrier's comments concerning our proposed insurance levels and other miscellaneous contract language and comments.

Mr. Morphis touched upon other unresolved issues such as; indemnity coverage, arbitration versus mediation and litigation, a final contract with MBP (or another engineering firm ) for owner's representative services, and returning the lake to its original elevation may require permitting through the U.S. Army Corps of Engineers.

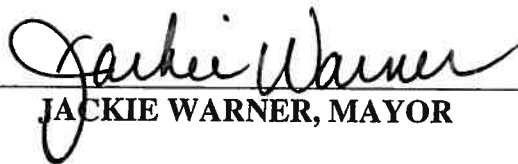
Attorney Morphis highlighted the next steps after the contract is signed; ASI and or Schnabel will meet with Town officials and staff to discuss the proposed contract, there may be a public meeting to discuss the design concepts for the dam, Schnabel will begin the design process, and a determination will be made concerning holding more public meetings.

Mayor Warner inquired about finding a local engineer to be the owner's representative. Mayor Warner indicated that she felt that this would be more cost effective and could possibly alleviate some concerns.

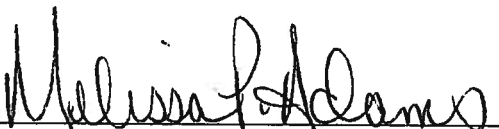
Town Manager John Ellis remarked that if this is something that the Board was wishing to do that an RFQ would need to be prepared very soon, as this may slow down the process with ASI.

There was a brief discussion concerning the design concepts that ASI had prepared previously for the RFQ.

At 12:00 a.m. Mayor Warner closed the session.

  
JACKIE WARNER, MAYOR

**ATTEST:**

  
Melissa P. Adams, MMC Town Clerk

