

**TOWN OF HOPE MILLS  
CLOSED SESSION MINUTES  
MONDAY, NOVEMBER 2, 2015**

Mayor Warner called the Closed Session to order at 7:35 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 and NCGS 143-318.11 (a) (6) to discuss personnel issues.

Item 1.

Town Manager John Ellis reported that Munawar Bhatti, owner of Palace Sweepstakes has filed a lawsuit against the Town to recover amounts paid for privilege license tax between 2011 – 2013. Mr. Ellis remarked that he has turned everything over to Town Attorney T.C.Morphis. Furthermore, Mr. Ellis stated that he is sending this to the NCLM, but he does not believe the Town is covered under the League's Insurance for something like this and our deductible is \$50,000.00 anyways. Mr. Morphis informed the Board that he had inquired about this previously this past summer and Steve Lee had sent an email remarking that we were not covered but that the League had been representing towns, due to the number of similar lawsuits that have been filed against NC cities and towns. Attorney Morphis remarked that we have thirty days to respond to the lawsuit. Mr. Morphis will report further at the next meeting.

Item 2.

Redacted.

Item 3.

Town Manager John Ellis spoke to the Board concerning Mr. Neil Smith, remarking that Mr. Smith has recently tried to contact him. Mr. Ellis remarked that he needs the Board's direction on speaking to Mr. Smith. After a brief discussion the consensus was that Mr. Ellis should speak with Mr. Smith to find out what it is he wishes to discuss.

Item 4.

Attorney Morphis brought attention to the cottage or pool house on Lakeshore Drive that is encroaching on the Town's property at the lake. Mr. Morphis remarked that now that the GMP

on the dam has been set he and Town Manager Ellis would like the Board to authorize them to begin researching the tax value and hiring an appraiser to determine the value of the property. After a brief discussion the consensus was to begin the process to determine the property value.

Mayor Warner closed the session at 7:51 p.m.

---

**JACKIE WARNER, MAYOR**

**ATTEST:**

---

**Melissa P. Adams, MMC Town Clerk**