

**CITY OF TREASURE ISLAND, FLORIDA
BOARD OF COMMISSIONERS SPECIAL MEETING MINUTES
May 12, 2009**

The meeting was called to order at 1:33 p.m. by Mayor Minning.

A. PLEDGE OF ALLEGIANCE: Led by Mayor Minning

B. ROLL CALL:

Mayor Bob Minning		Present
Commissioner Phil Collins – Vice Mayor	District 1	Present
Commissioner Ed Gayton	District 2	Present
Commissioner Carol Coward	District 3	Present
Commissioner Alan Bildz	District 4	Present

C. PUBLIC COMMENTS:

None

D. APPROVAL OF MINUTES:

None

E. ITEMS OF BUSINESS

1. Consideration of Res. 09-28, To Enter Into An Agreement to Sell the Property at 8031 Causeway Blvd. S.

It was moved by Commissioner Bildz and seconded by Commissioner Coward to approve the resolution as read.

Mr. Silverboard reported that we have received four offers already provided, with a fifth offer coming in shortly for the sale of the house located at 8031 Causeway Blvd. The purpose of this meeting is to consider accepting one of these offers, placing whatever conditions that you may choose on it, and authorizing the Mayor to sign the appropriate documents. The agent is present to explain the particulars of each offer.

Dania Perry, representing Century 21 Jim White, was present to discuss the offers. She discussed a recent comp from a house in the area. It is under contract for \$195,000, and is fully renovated and includes a pool. She stated that there are two offers that they should focus on. There is an offer that is contingent on financing for \$141,000. There is also an offer contingent on financing for \$125,000. There is a cash offer for \$176,300, but there is a 3% exposure to the City for renovations and wood rot. The offer that is coming in today is \$175,000 cash, as is. Her recommendation would be to accept the \$175,000 as is offer. They would be able to

close on June 8th. Mr. Silverboard explained that they can only sell property by ordinance. If the Commission will agree to waive the workshop today then we could have first reading at next week's meeting, and second reading at the June 16th meeting. The realtor urged them to accept an offer and close as quickly as possible.

Marilyn Wambold with Century 21 Jim White stated that her client would like to inspect the property within ten working days of the acceptance of the offer. Commissioner Collins asked about the earnest money and requested that they be paid before a contract is entered into. Ms. Wambold explained that there would be a \$5,000 deposit held by their escrow department, which would be non-refundable if the buyer accepts the inspection report.

Commissioner Bildz asked what the criteria was for the buyer to not accept the inspection. Ms. Wambold explained that it could be for anything that the buyer sees in the inspection. Almost all contracts are written subject to inspection.

Commissioner Gayton asked for clarification regarding the 3% obligation on the previous offer. It was clarified that both offers are subject to inspection. Ms. Perry explained that the \$176,300 offer was open on all three inspections. The \$175,000 was restricted to the termite inspection and home inspection.

Commissioner Collins asked for clarification on the commission structure. It would be the same under both contracts because there are two agents involved.

Commissioner Gayton asked for clarification on the termites. Ms. Wambold stated that both contracts include 1 ½% for termite damage. The buyer is not asking for money for structural repairs. Commissioner Gayton stated that the house has wood rot. Ms. Wambold stated that he knows that and is not as concerned about that as he is about major structural damage due to termites. He is only asking for the termite inspection and a home inspection. Commissioner Coward stated that they could come back after the inspections and ask for more, and then it would become a negotiable point. We have five offers so we know that it is marketable. Mr. White suggested that they take one of the two higher offers and accept the second offer as a back up. You have two interested parties. Having a back up will make the first interested party more nervous. Mr. White stated that they would probably not get a higher offer, and entering into a bidding situation with two buyers could make them walk away. Commissioner Coward stated that she felt that there was less exposure in accepting the offer for \$175,000.

Commissioner Collins asked again about the deposit, when it would be received, and when it would become non-refundable. He then asked who would decide whether termite damage would be major. Ms. Wambold explained that the buyer would determine that based on getting an estimate from a contractor. It would become negotiable if it is over the 1 ½%. Commissioner Collins asked if we were concerned about other areas of the house. Ms. Wambold stated that they would still inspect but were aware of the condition of the house. Commissioner Collins stated that he agreed with Commissioner Coward. Commissioner Bildz stated that the

\$175,000 offer was actually higher than the offer for \$176,300 due to the 3% on that offer.

Ms. Kiefer suggested that they enter into a contract and then ratify it by ordinance. She suggested language for the resolution that would allow the Mayor to negotiate conditions and sign documents prior to the ordinance passage. They would approve the selling price and then allow the Mayor to negotiate the terms other than that. Mr. White asked for clarification on what the Mayor would be allowed to negotiate. Ms. Kiefer stated that it would be things that would be within the scope of the contract presented today. Commissioner Coward stated that she feels comfortable amending the resolution but is not in favor of doing anything that would muddy the contract. Ms. Kiefer stated that this would not change the contract. Commissioner Coward asked Mayor Minning if he felt comfortable with negotiating on this. Mayor Minning stated that he feels comfortable, and he would not negotiate anything that would not be favorable.

Commissioner Gayton asked about the easements that we had discussed at the time that we decided to sell the property. Ms. Wambold stated that she was unaware of the easements. Ms. Kiefer suggested that there should be an addendum to the contract specifying that the easements would remain in place. Commissioner Collins suggested that Ms. Wambold also tell his buyer that the City would be responsible for the sea wall. Commissioner Gayton explained that it was not part of the sale and doesn't apply to this. We are not selling parcel 2. He then asked if the owner aware that he has no riparian rights to the water. Ms. Wambold answered in the affirmative. Ms. Wambold asked if the concrete wall behind the house was in the same area that the easement is. Commissioner Gayton stated that it is not a concrete wall, but a fence along the causeway. North of the fence is where we are asking for the easement. Mr. White asked how much land was in the easement. Commissioner Gayton stated that it is 30 x 50 feet. Mr. Silverboard explained that the buyer could still put his fence in the easement, but would be responsible for moving it if we need to get in there for something. The main purpose of the easement is because of the force main. Any fence would be subject to the City of St. Pete's regulations for fencing. Commissioner Bildz stated that he felt that what Commissioner Gayton was saying was that the buyer could use that easement as part of his yard.

Ms. Kiefer stated that she had further recommendations for the language in the resolution. Mayor Minning called for a break while Ms. Kiefer prepared an amended resolution to accept the offer for \$175,000. Commissioner Gayton asked if someone came in with a higher price, do we have to accept the higher price. Ms. Wambold stated that price isn't the only factor. Terms are one of the factors. Commissioner Collins asked if we were allowed to continue accepting bids during the time that we are waiting. Mr. White stated that they could accept back up bids. Mr. Silverboard stated that there were items to be added to the contract so there will be a delay in getting started on the inspection as it can't be started until both parties have signed the agreement.

Ms. Kiefer stated that she felt that the offer for \$175,000 left the buyer very open to back out. She clarified the terms of both contracts. There was discussion on the liability to the city on both offers. It is more open on the \$175,000 offer, but the city would not be under obligation to accept it. Commissioner Coward stated that we are in an enviable position. We do not have to sell this house tomorrow. She would like to see us go forward with this and see what happens. Mr. White stated that either of these buyers could ask for more money based on the inspection. Commissioner Collins stated that if for some reason one of these contracts don't work out he would like to see future contracts be tighter.

Commissioner Bildz stated that he likes the \$175,000 contract with the \$176,300 contract backing it up. That shows that the property is worth the money.

The meeting was recessed at 2:33 p.m. for the purpose of finalizing the language of the resolution.

The meeting reconvened at 2:48 p.m. by Mayor Minning.

Mayor Minning asked Ms. Kiefer to give a run through of the resolution that they would be voting on. She gave an explanation of the changes that she was suggesting.

It was moved by Commissioner Bildz and seconded by Commissioner Gayton to approve the amendments to the resolution as read. Upon roll call the vote to approve resolution as amended was unanimous. Upon roll call the vote to approve the resolution was unanimous.

F. ADJOURNMENT

The meeting was adjourned at 2:52 p.m. by Mayor Minning.