



**CITY OF SOUTHPORT
BOARD OF ALDERMEN – SPECIAL MEETING
INDIAN TRAIL MEETING HALL
113 W MOORE STREET, SOUTHPORT NC 28461
OCTOBER 28, 2025 | 9:00 AM**

Present Members:

Mayor Rich Alt, Rebecca Kelley, Karen Mosteller, Robert Carroll, Lowe Davis, Marc Spencer, Frank Lai

Staff Present:

City Manager Noah Saldo via Zoom, City Clerk Tori Deviney, Deputy Clerk Scott Baillargeon, Public Information Officer ChyAnn Ketchum, Planning Services Director Maureen Meehan

A. Call to Order

The meeting was called to order by Mayor Alt at approximately 9:00 AM

B. Pledge of Allegiance

Mayor Alt led everyone in the Pledge of Allegiance

Mayor Alt read the ethics statement and asked if any Board members had conflicts of interest or the appearance of a conflict regarding agenda items. No conflicts were declared.

C. City Alleyways

A motion was to accept the agenda by Alderman Davis and seconded by Alderman Lai. The motion passed unanimously.

Mayor Alt provided housekeeping updates, noting that City Manager Noah Saldo was attending a City Managers Conference in Tampa after receiving a scholarship but would be joining remotely, via zoom. He also introduced Scott Baillargeon as the City's new Deputy City Clerk.

Mayor Alt explained that the purpose of the special meeting was to ensure transparency related to the ongoing alley documentation issue. He stated that a letter had been sent on October 17 with a response deadline of October 27 and that the Board had previously agreed to reconvene to

determine next steps by the Board of Aldermen. He emphasized that the meeting was scheduled to allow public access to all related documentation.

Alderman Carroll made a motion to release an additional set of documents received the previous evening, along with a confidential attorney-client privilege memorandum regarding street dedication acceptance and withdrawal dated October 2, 2025, prepared by Lee Kaes, PLLC.

Mayor Alt indicated he was not fully tracking the motion, noting he had no issue with it but wanted clarification.

Alderman Carroll clarified that the first item was the additional packet of approximately 50 pages received the night before, and the second item was an opinion memorandum dated October 2, 2025 from the referenced firm, which the Board received around October 6, 2025. He stated the Board had relied on that memorandum during deliberations in closed session when determining how to proceed.

The motion was seconded by Alderman Lai.

Alderman Carroll noted that a separate letter from JC to the City of Southport had already been released after being deemed no longer confidential. Mayor Alt requested that this document also be added to the official record.

Alderman Carroll amended the motion to include the JC correspondence. The amendment was seconded by alderman Kelley. The motion carried unanimously.

Mayor Alt summarized the categories of documents now included in the public record, including:

- Historical ownership data spanning approximately 135 years
- Plot diagrams submitted with a 2023 building permit
- Building permit records
- Brunswick County deeds and ownership records
- Tax records
- City proclamations related to alleyways
- UNC School of Government guidance and related legal reference materials

Mayor Alt explained that the issue originated when a document was provided to him on or about August 14. He stated he then took the document and brought it to the City Manager. He stated that his concern was that, if valid, the document could potentially jeopardize the City's rights to multiple alleyways and rights-of-way that had not been actively maintained within a 15-year period. He reported that he brought the issue to the City Manager, who then consulted the City Attorney.

Mayor Alt stated that the matter was discussed during a closed session on or about September 11. Following that closed session, the Board unanimously directed the City Manager to retain a third-party legal review. The resulting opinion has now been entered into the public record, stating that is the current document that they now have.

Mayor Alt stated that additional documents had been received since the Board's prior discussion, including materials that arrived the previous day. He noted that these documents had now been entered into the official record.

He explained that, while he was providing a general summary, a more qualified individual would be able to provide a more detailed interpretation. He referenced documentation from Brunswick County regarding potential tax implications related to the property, based on the County's treatment of the area as abandoned and subsequently associated with a new owner.

Mayor Alt stated that the documents were available for public review and that individuals could evaluate the materials to determine whether any additional taxes had been assessed on what he estimated to be approximately a 10-foot by 60-foot portion of land.

Alderman Kelley asked whether the newly approved documents were already available online. Mayor Alt confirmed that the documents would be posted as part of the action approved earlier in the meeting.

Mayor Alt noted that county tax record diagrams from 2020 through 2024 were included. He stated that certain property improvements, including an east-side extension, porch, and staircase, did not appear in the tax records until 2024.

Alderman Carroll responded that tax records should not be relied upon as definitive proof of property improvements. He noted that multiple recorded surveys dating 2019 back to 2013 showed the structures in question as existing in their current locations. He referenced a Tidewater Survey prepared on behalf of Pleasant Oaks LLC when the property was owned by Tommy Harrelson and his sisters.

Mayor Alt confirmed that the referenced survey was included in previously approved document attachments and was already part of the official record.

Alderman Davis stated that the level of public attention surrounding the issue had become heightened both locally and online. She suggested that, to remain fair and objective, the Board should avoid using individual names when discussing the matter and instead refer to the parties generically, such as "John Doe" and "Jane Doe," when necessary.

She stated that the Board should attempt to remove politics from the discussion and approach the matter in the same manner as other similar requests and issues handled in the past. Alderman Davis referenced prior Board deliberations in 2018, including matters related to 11th Street, which required extended discussion.

She further stated that the current issue had become more politically sensitive due to the identities of the property owners involved and the proximity of an upcoming election. She emphasized that the Board should strive to treat the matter fairly and consistently, as it would for any other individual or property owner.

Alderman Carroll stated that, in his view, the matter did not become political because of the individuals involved, but rather because of how the Board collectively handled the process. He said he was disappointed with the inconsistency in how the issue was addressed publicly.

He referenced the October 6 meeting and stated that Alderman Davis, prior to the Board entering closed session, provided extended remarks explaining the purpose of the closed session.

Alderman Carroll stated that, following that meeting, there was no similar public explanation regarding Mr. Tommy Harrelson having filed the same type of document. He further noted that after the Monday closed session October 6, the Board took a formal vote in open session, while at the Thursday meeting no formal vote was taken and the same decision was instead made during closed session. He stated that this inconsistency made it difficult to support the idea of removing names from the discussion and raised concerns about fairness in the process.

Alderman Davis responded that she took issue with the use of the word “diatribe.” She stated that her intent was not to criticize, but to provide clarity to the public about the topic being discussed in closed session October 6. She noted that she had reviewed prior meeting minutes to see how similar matters had been handled historically and referenced former Board practices, including instances where additional context was provided beyond simply citing the statutory authority for closed session, particularly by Robert Howard, Former Mayor.

Alderman Davis stated that because the topic was already circulating publicly, she believed it was important for residents to understand that the Board was entering closed session to discuss the matter and determine whether further action was necessary.

Alderman Carroll responded that he appreciated the intent and stated that he believed the Board should adopt a consistent approach moving forward. He stated that, based on his experience, the Board has historically been inconsistent in how much information is shared when entering closed session. He further stated that, in his view, there was no substantive difference between the Board’s Monday discussion regarding sending a letter related to one property and the Thursday discussion regarding sending the same letter to Mr. Harrelson and associated parties.

Alderman Kelley stated that she did not recall the exact details of what occurred during the closed session, but indicated that she believed the Board had received legal advice that it was not necessary to take additional action in open session at that time.

Alderman Carroll responded that while he appreciated that explanation, he questioned why the Board did not receive the same guidance on Monday. He further questioned why the public was not provided with the same level of explanation on Thursday regarding the purpose of entering closed session, as had been provided earlier in the week.

Mayor Alt stated that, without referencing the specific subject matter discussed in closed session, the Board had received legal advice not to take the same action or make the same type of public statements as had occurred previously. He noted that no Board members objected to that guidance at the time.

Alderman Lai stated that he recalled the City Attorney advising the Board that it would be advisable not to do anything or make additional public statements following the closed session.

Alderman Davis stated that she believed the Board should examine the matter without referencing specific individuals and instead approach it in the same manner it would if any other property owner requested use of or access to a portion of an alley. She added that, historically, the Board has on multiple occasions referenced property owners by name when addressing similar matters.

Further discussion followed regarding if you could vote at special meetings.

City Manager Saldo confirmed that the Board was legally permitted to take votes during a properly noticed special meeting, provided the motions were related to the matter under discussion.

Mayor Alt reiterated the importance of maintaining compliance with statutory requirements and maintaining consistency in process.

Alderman Kelley stated that she believed Alderman Davis had historically provided explanations prior to entering closed session regarding the subject matter being discussed.

Alderman Carroll responded that such disclosures were not always consistent and stated that Alderman Davis selectively disclosed information about which properties were being discussed.

Alderman Carroll stated that when the Board enters closed session to discuss property matters, there have been instances when detailed information about the “who, what, when, where, and how” has been shared publicly, while at other times no such information has been provided. He stated this inconsistency was part of the concern being raised.

Alderman Davis stated that the discussion was moving off topic, but added that the Board became aware approximately two years earlier of state case law requiring disclosure when the Board is considering the purchase of property, including identification of the property, ownership, and intended purpose.

Alderman Carroll asked whether the Board had complied with those disclosure requirements every time over the past few years.

Mayor Alt interjected to clarify the legal requirement. He stated that the statute referenced requires disclosure if a member of the public asks about the property being discussed. He explained that the Board may voluntarily announce the information or wait until asked, and that

any Board member or member of the public could request clarification at that time. Mayor Alt stated his intent was to ensure the Board shared a consistent understanding of the applicable law.

Alderman Carroll apologized and stated that his intent was to clarify factual information rather than criticize individuals.

Mayor Alt stated that his goal was to ensure the Board remained within legal boundaries.

Alderman Carroll stated that he believed the Board was working to handle the matter appropriately.

Mayor Alt stated that the Board had now reviewed two declarations of withdrawal: one that had been brought to his attention and another related to Mr. Harrelson that Alderman Carroll had brought forward. He stated that he was not involved in bringing the Harrelson matter forward but confirmed that both declarations had been discussed by the Board.

Mayor Alt reviewed additional documents included in the packet, including multiple deeds, a deed of trust, and financing-related records. He noted that one deed listed an official address of “7007 Robert Ruark Dr” and referenced a filing date of June 5, 2020, which he stated was significant. He questioned why that address appeared on the document.

Alderman Carroll responded that a mailing address does not necessarily reflect residency, noting that individuals often receive mail at addresses different from where they live. Mayor Alt acknowledged the point and stated he was simply noting what appeared in the record.

Alderman Lai clarified that while Mayor Alt referenced June 5, the document itself showed a preparation date of June 2. Mayor Alt responded that June 2 reflected the document creation date, while June 5 reflected the official filing date in 2020.

Mayor Alt continued summarizing the materials included in the record, including tax-related documents, diagrams already included in the packet, building permit documentation, and correspondence from Brunswick County indicating that the withdrawal claim had been rejected.

Alderman Carroll stated that one referenced segment originated from the GIS office rather than the Tax Office. Alderman Kelley responded that it came from the Office of the Tax Administrator. Alderman Carroll reiterated that the document specifically referenced GIS and encouraged careful review of the materials.

Mayor Alt confirmed that the correspondence was from GIS and stated that an additional letter from the same office had been received the previous day confirming the rejection. He further stated that another document had been received, a letter from Ms. Anderson, who had also filed a declaration of withdrawal involving the same alley segment between Owens Street and Eighth Street. Mayor Alt stated he would entertain a motion to include that document in the official record.

Alderman Carroll made a motion to include the Anderson letter and Brady's written opinion previously provided by City Manager Saldo, noting that the opinion indicated the filings did not materially change the situation. Alderman Carroll asked for confirmation of the date Brady's opinion was received.

City Manager Saldo stated he would locate the date.

Alderman Carroll thanked him and indicated the Board could proceed to discuss the Anderson letter once it was formally entered.

Mayor Alt stated that he was temporarily unable to locate the Anderson document within his materials.

Alderman Carroll asked whether Mayor Alt could recall which portion of the alley Ms. Anderson's filing affected.

Mayor Alt responded that the filing involved the segment on the north side of the alley adjacent to the ABC store.

Alderman Carroll confirmed the location of Ms. Anderson's filing and asked whether she had received the same rejection letter from the GIS office. Mayor Alt confirmed that she had.

Alderman Carroll asked what action Ms. Anderson took following receipt of the rejection letter. Mayor Alt stated that she treated the matter as resolved and did not take further action.

Alderman Carroll asked whether Ms. Anderson filed any additional documents after receiving the rejection letter. Mayor Alt responded that she did not. Alderman Carroll stated that this mirrored the initial action taken by the Hatems in filing a declaration of withdrawal, but that Ms. Anderson did not proceed to claim ownership. He stated that the same declaration of withdrawal document was used in both instances and questioned how the situations differed.

Alderman Kelley stated that there was no difference and that the City should send Ms. Anderson the same letter.

Alderman Carroll stated that this supported the need for consistency in treatment. Mayor Alt agreed and stated that the same letter should be sent.

Alderman Davis asked whether Ms. Anderson also had a warranty deed on file and whether it included the withdrawal. Alderman Carroll stated that Ms. Anderson did have a warranty deed recorded and that the declaration of withdrawal would be reflected in that filing. Alderman Davis stated concern that the discussion was referencing documents not currently in front of the Board.

City Manager Saldo stated that Brady's written opinion regarding the GIS tax office correspondence was dated October 21.

Alderman Carroll thanked him and stated he would read that document into the record.

City Clerk Deviney reminded the Board that a motion made by Alderman Carroll was currently on the floor and had not yet received a second. A second was provided by Alderman Mosteller.

Alderman Davis stated that she was reluctant to vote to enter a document into the record without first reviewing it.

Alderman Carroll responded that the Board was not being asked to determine the relevance or substance of the information, but simply whether it should be entered into the official record.

Mayor Alt clarified that the document being referenced was not the Anderson letter, which was already included in the original packet. He explained that the document in question was a separate letter received the previous day from Ms. Hines. He asked whether the Board preferred for him to read the letter aloud or summarize its contents.

City Manager Saldo clarified that the Anderson letter and associated withdrawal documentation were already included in the original packet provided to the Board. Mayor Alt stated that the document currently being discussed was a separate letter received the previous day from Ms. Hines.

Mayor Alt stated that the Anderson withdrawal documentation was already part of the original materials. He then summarized the contents of the Hines letter, stating that Pleasant Oaks had recorded a declaration of withdrawal for the alleyway (Deed Book 4372, Page 573) and that the Hatems had also recorded a declaration of withdrawal referencing Deed Book 4372, Page 595. He further stated that there was no correspondence on file for the 2020 withdrawals and that the filings appeared to have been recorded in conjunction with the deed to the Hatems (Deed Book 4372, Page 599). He added that the letter indicated no further recording or correspondence related to the withdrawal deeds.

Alderman Carroll made a motion to “instruct city staff to hunt down every example of this throughout the city and send Ms. Anderson and every other person who has filed such documents the same letter that we’ve now sent to JP and Tish Hatem and Tommy Harrelson.” The motion was seconded by Alderman Mosteller.

Alderman Davis questioned how far back the search would realistically extend, noting that the timeframe being discussed could span more than 200 years.

Alderman Carroll stated that while he recognized the complexity of the issue, he wished to proceed with the motion and ensure follow-through. He stated that consistency was important and emphasized that if the action was appropriate for one case, it should be applied equally to all, describing the approach as fair and equitable. Alderman Carroll stated “if it is good for one, it should be good for all.”

Alderman Lai asked whether the search should extend indefinitely or be limited to a specific timeframe.

Alderman Carroll proposed using 1939 as a starting point.

Alderman Davis commented that statehood dates extended further back historically, referencing 1792.

Alderman Carroll reiterated that 1939 was a logical benchmark, referencing public map records indicating that a home had been constructed within the alley during that period. He stated that records suggested Howe Street had been relocated at some point, which also shifted the alley alignment.

Alderman Lai Agreed that 1939 made sense. Alderman Carroll questioned why the City would have allowed a residence to be built within an alley at that time.

Mayor Alt referenced other known roadway alignment issues in the City, including locations where streets were not positioned as originally intended, and stated that such inconsistencies supported the need for historical context.

Alderman Carroll added that reviewing multiple examples with an open perspective could provide clarity. He referenced Ms. Anderson as a well-known real estate professional in the local market and suggested that reviewing additional transactions, including those involving Mr. Langley, could demonstrate recurring patterns related to quitclaim usage and similar documentation practices.

Alderman Davis asked whether the motion could be amended to extend the review further back in time, stating that there should be documentation explaining why decisions were made in 1939.

Mayor Alt stated that while City records are limited, there are sufficient County records available and that beginning with 1939 would be a reasonable timeframe to either locate documentation or determine that records no longer exist.

Alderman Kelley asked City Manager Saldo how much staff time would be required to conduct the research.

City Manager Saldo responded that the effort would likely be significant and recommended allowing outside legal counsel to conduct the search due to their access to records and ability to perform more thorough research. He added that staff could perform limited internal and GIS-based searches but that attorneys would be better positioned to complete a comprehensive analysis.

Alderman Carroll asked City Manager Saldo to provide an update on the costs associated with the effort to date, including both legal and staff time. He referenced an email from City Attorney Brady outlining his billed hours and noted that outside counsel had also reported time spent on the matter.

City Manager Saldo stated that final invoices had not yet been received. He reported that outside counsel estimated costs between \$10,000 and \$12,000 so far. He further stated that City Attorney

Brady had billed approximately 13 hours, totaling about \$3,200, and that staff time was estimated at approximately \$2,000, bringing the combined estimated cost to approximately \$15,000.

Mayor Alt stated that the broader issue extended beyond individual parties and centered on the City's responsibility to protect public property. He expressed concern that if the City failed to take a clear stance, it could effectively allow individuals to claim abandonment and obtain ownership of property regardless of County records, potentially placing a significant portion of the City's alleyways at risk, certainly more than 50 percent.

Alderman Carroll requested that the following language be read into the official record verbatim:

"As Such. We have reviewed the documents listed in the attached exhibits and conducted a preliminary analysis. Please note that the opinions and analysis contained herein are preliminary in nature and are based on the information available at this stage. This preliminary opinion is subject to change pending further review, additional facts and comprehensive analysis. It does not constitute a legal a final legal conclusion or advice and should not be relied upon as such."

Following the reading, Alderman Carroll stated that this language appeared at the beginning of the document, not at the end, emphasizing its placement and significance.

He further stated that, in his view, the amount spent, estimated between \$10,000 and \$12,000, could have funded a more detailed and thorough title evaluation.

Alderman Davis responded that the Board was aware, after the fact, that the opinion was preliminary in nature and noted that this had been discussed previously.

Alderman Mosteller stated that the City had engaged legal counsel without any direct communication with the property owner. She noted that no initial phone call had been made and expressed that, in her view, this was not an appropriate approach for conducting City business. She further stated that public funds may have been unnecessarily expended and suggested that the matter could have initially been addressed through direct communication with a phone call.

Alderman Lai asked whether the City was operating under the assumption that it definitively owned the alleyway.

Alderman Carroll responded that, in his opinion, ownership had not yet been conclusively determined and stated that representing the matter as settled would be misleading.

Alderman Carroll then read into the record a letter received from the Hatems in response to the City's October 13, 2025 correspondence, which had been received by the Hatems via certified mail on October 17, 2025. He stated that the letter indicated the Hatems' willingness to work cooperatively with the City and their attorney to resolve the matter amicably and to correct or reverse any documentation determined to be inappropriate.

Mayor Alt reminded the Board that the earlier action to proceed in a different direction had been unanimous. He stated that the City may not need to spend additional funds if the issue could be resolved by correcting the document, noting that a document attached to the recent letter stated that signing it would constitute a withdrawal of the claim, and that point had not been addressed in the response.

Alderman Carroll stated that the withdrawal language should have been addressed and said it was inappropriate that it was not. He stated that City attorneys should do what their letter suggested, have a conversation, communicate with the other parties, and determine what documents do and do not exist so that the City is informed when making those types of claims.

Alderman Davis cautioned the Board not to overlook that, as Ms. Hines from the tax office had pointed out, state law governs how a city can abandon or close an alleyway or road. She referenced the prior 11th Street matter and stated that Mike Eisenberg's guidance had been instructive regarding procedural requirements such as notifying adjacent property owners. She recalled that during that earlier process, it appeared to be moving smoothly until an individual stated they had never received notice, which required the process to start over. Alderman Davis emphasized that the Board was discussing legal matters but that they are not attorneys.

Alderman Mosteller stated that, in her view, the action the Board took had been based on information presented in closed session that later proved incomplete. She stated that Alderman Carroll's research later indicated that the document had been created by the seller, Mr. Harrelson, and she said that how the matter had proceeded from the beginning was problematic.

Mayor Alt clarified that there were two documents, one created by Mr. Harrelson and another that was copied by the Hatem's and stated that the documents had been signed.

Alderman Mosteller added that, while the buyer's attorney copied the document and the parties signed it, the situation was presented in a way that made it seem as though the document had been fabricated, which she stated was not true. She stated that Mr. Harrelson's attorney initially created the document.

Alderman Davis questioned why a second document would have been necessary if Mr. Harrelson had already executed the original document. Mr. Carroll responded that he did not know what the attorney had advised.

Mayor Alt then stated that he wanted to move forward, explaining that the purpose of the special meeting was to respond to public calls for transparency regarding closed sessions, how they occur and why. He outlined the general process for entering closed session, including the need for a motion, a second, an opportunity for discussion, and a vote, noting his recollection that such votes are almost always unanimous. He stated that the purpose of the meeting was to place documents into the record, and he believed that had been accomplished, including identifying additional documents for inclusion. He also stated that nothing in that process prevented the City and the Hatems from working together to resolve the issue before spending further funds.

Alderman Carroll responded that the City had already spent the money. He acknowledged there is a process, and he noted that a North Carolina General Statute referenced in the withdrawal letter appears to have been used by many. He stated that if the statute applies, there may be an alternative approach, but the research had not yet been completed. Alderman Carroll stated that there was a motion currently on the floor. He further expressed concern that information was being obtained through unofficial means rather than through a credible source, such as an attorney or another professional retained to conduct the research. He stated that, in his view, this approach was just wrong.

Alderman Davis asked for clarification, questioning what was wrong with hiring an attorney to handle the matter.

Alderman Carroll responded that he supported using legal counsel but expressed concern that documents had been submitted to the Board from unknown sources and without clear origin. He stated that the Board currently had a motion and a second on the floor to search for every applicable example and indicated his intent to call the vote.

Mayor Alt asked whether there was any further discussion on the motion.

Alderman Davis asked whether it would be more cost-effective for the City's attorney to meet with the Hatem's attorney first to determine what could be resolved.

Alderman Carroll asked why there was not equal concern about Ms. Anderson's example if the issue involves taking of land, stating it is referenced in documentation.

Mayor Alt stated he agreed that the Anderson document and any other documents using that statute should be reviewed if we can find them. He asked whether Alderman Carroll agreed that moving forward with the motion would not exclude the City attorney from also working toward a resolution of the matter currently being addressed with the Hatem's.

Alderman Carroll stated that the situation showed a lack of concern for "Rich's" concern from Alderman Davis and stated it appeared there was not concern about taking value.

Alderman Davis responded that the Board had not yet determined whether the actions in question were legal or illegal and emphasized that the purpose of the discussion was to determine that information.

Alderman Kelley stated she believed the Board had already indicated the same letter should be sent to Ms. Anderson.

Alderman Carroll stated that if the City cares about the issue, it needs to search for every example that exists and correct it.

Mayor Alt asked Alderman Carroll whether he agreed that the matter currently before the Board did not need to be delayed while other potential examples were being identified, stating that the

City could continue addressing the present issue while additional cases were discovered over time.

Alderman Carroll responded that he agreed and stated that every identified instance should be addressed as it is found.

Alderman Davis asked whether the Board needed to wait until all potential affected parties were identified before taking action, or whether the City could proceed with the current examples. She suggested allowing the City Attorney to send the same letter to Ms. Anderson and allow legal counsel to manage the matter moving forward.

Alderman Carroll responded that there was no reason to alter the actions already being taken by outside counsel regarding the Hatems' situation. He stated that he was not proposing to stop or change that process and noted that the Hatems had responded to the letter as required, indicating their willingness to take steps to resolve the issue. He emphasized that his motion was focused on directing the City to actively identify, search for, and address every similar example across the City because of concern regarding the potential taking of City-owned property.

Mayor Alt stated that he agreed with Alderman Carroll's position but asked whether, once the ownership of the current alleyway was resolved, the City could then treat each additional example as a separate matter so that the current case would not be delayed. He stated that the Anderson matter should be considered a separate issue and asked Alderman Carroll whether that aligned with his intent.

Alderman Carroll stated that he did not believe any language regarding the ongoing Hatem matter needed to be included in the motion, noting that the Board had already given direction on that issue, the process had begun, and a response had already been received from the Hatems. He stated that he was not requesting any changes to that process.

Alderman Kelley asked about the status of the Harrelson correspondence. Alderman Carroll inquired whether City Manager Saldo could confirm when the Harrelsons received their letter.

City Manager Saldo responded that the attorneys had not yet received the signed certified mail receipt confirming delivery but stated that the letter had been sent a few days after the Hatems' correspondence.

Mayor Alt stated that the Board would hopefully receive additional information prior to the next regular meeting. He clarified that the purpose of the special meeting was not to make a final decision on the overall matter, but rather to respond to public calls for transparency by placing information on the record and discussing the issues openly. He stated that the Board had accomplished that objective and reiterated that further action would occur following the expiration of the ten-day response period.

Alderman Mosteller stated that, in her view, the core issue involved confusion regarding state statute. She explained that if Ms. Anderson, a well-known realtor, and a non-realtor represented

by an attorney were both engaging in similar actions, the concern was not necessarily illegality but rather uncertainty regarding how the statute should be interpreted and administered. She stated that individuals involved had been treated as though they were criminals, when in reality the issue appeared to stem from unclear statutory guidance. She emphasized that the broader issue was determining the proper application of state statute.

Alderman Carroll stated that Ms. Anderson's situation was more relevant in terms of timing than the Hatems' transaction, noting that her filing occurred closer in proximity to the property transfer. He stated that, to his understanding, Francesca Slaughter served as the listing agent while Kim Anderson represented herself.

Mayor Alt clarified that the discussion concerned the filing of the document rather than the purchase of the property itself.

Alderman Carroll confirmed that the filing occurred concurrently and stated that the document was recorded accordingly.

Alderman Lai stated that the issue was ongoing and emphasized the importance of establishing consistency in how similar matters are handled moving forward. He stated that the City needed a clear understanding of the law and a standardized approach for future situations.

Alderman Carroll stated for the record that, based on how property transactions are typically processed, the documents would have been recorded, although he acknowledged he could be mistaken.

Mayor Alt stated that regardless, the filing had occurred and expressed support for sending a letter to Ms. Anderson.

Alderman Davis requested clarification regarding the scope of Alderman Carroll's motion and asked what specifically the Board was being asked to pursue.

Alderman Davis asked whether the intent was to search for every instance in which a citizen had taken ownership of an alley or a portion of an alley.

Alderman Kelley asked whether the search would be limited to official recorded documentation or whether physical encroachments into alleyways would also be included.

Alderman Carroll responded that encroachments do not constitute a legal taking and explained that physical use or obstruction of an alleyway does not equate to ownership. He stated that the focus of the motion was on identifying formal recorded documents. He clarified that the intent was to locate declarations of withdrawal and similar recorded filings.

Alderman Davis asked for clarification, stating that she wanted to confirm whether the motion was limited to declarations of withdrawal or if it also included quitclaim deeds.

Alderman Carroll responded that quitclaim deeds could also be used as a mechanism to take land and should be considered.

Mayor Alt asked for clarification regarding quitclaim deeds, stating his understanding was that such filings relate to unpaid taxes.

Alderman Carroll clarified that quitclaim deeds can be used in other circumstances and provided examples from Brunswick County in which individuals attempted to obtain adjacent parcels through questionable transactions. He stated that in some cases such actions may be illegal, while in others they may not be, but noted that he had observed situations where individuals attempted to secure ownership of property through improper documentation practices.

Mayor Alt suggested narrowing the scope of the motion to focus specifically on the statute being used.

Alderman Carroll agreed and restated the intent of the motion, clarifying that the City should search for every instance in which a declaration of withdrawal had been filed using the same general statute referenced in the current examples.

Alderman Davis referenced the statute as North Carolina General Statute §160D-599.

City Attorney Herman clarified that the applicable statute is North Carolina General Statute §136-96.

Alderman Carroll asked whether the filing date for Ms. Anderson's declaration of withdrawal was known.

Mayor Alt stated that the filing occurred either in 2023 or 2024.

Alderman Carroll stated that December 2023 appeared to be the approximate timeframe and noted that this timing was similar to the Hatems' filing.

Mayor Alt stated that regardless of the exact filing date, the City would proceed with sending Ms. Anderson a letter similar to the correspondence sent in the other identified cases.

Alderman Carroll then requested that the Board proceed to vote on the motion currently on the floor. He noted that the originally discussed cutoff date of 1939 should be adjusted and suggested extending the search period to 1930.

The Board agreed to modify the timeframe to 1930.

Alderman Davis requested that the City Clerk read the motion back to the Board for clarification.

City Clerk Deviney asked whether the Board intended for the research to be conducted by City staff or outside legal counsel.

Mayor Alt stated that the intent was for outside counsel to perform the work.

Alderman Davis confirmed that the Board was directing outside counsel to conduct the research.

Alderman Kelley asked whether staff could conduct an initial review and forward any findings to outside counsel.

Alderman Lai requested that the Board proceed with the vote.

Mayor Alt suggested allowing the City Manager discretion in determining how the work would be handled.

Alderman Carroll stated that staff capacity should be considered, noting that staff time was limited and that City meeting minutes had not yet been posted online since April. He stated that staff did not have the capacity or specialized training to conduct this type of research and suggested that legal professionals were better suited for the task. He further stated that while the currently retained law firm may or may not be the appropriate firm to perform the work, he supported directing the City Manager to make that determination within his ability.

Alderman Kelley suggested reaching out to a law school as a potential research resource.

Mayor Alt reiterated that the City Manager should be given discretion to determine the appropriate approach. Alderman Kelley stated this would be very expensive.

City Attorney Herman stated that his firm could conduct an initial round of research to identify relevant declarations of withdrawal.

Alderman Kelley asked whether there was a searchable tool that could be used to avoid excessive manual review.

City Attorney Herman stated that the online Register of Deeds system may allow searches by document description, including “declaration of withdrawal,” which could provide a starting point for identifying filings.

City Clerk Deviney summarized the motion for clarification, stating that the Board was directing the City to engage outside representation to search for illegal declarations of withdrawal filed from 1930 to the present related to City alleyways.

Alderman Carroll clarified that the intent was not limited to determining whether filings were legal or illegal, but rather to identify every instance of a declaration of withdrawal so that the City could address each consistently and equitably.

A motion was made by Alderman Carroll and seconded by Alderman Mosteller directing the City Manager to engage outside legal representation to search for and identify all declarations of withdrawal filed from 1930 to the present related to City alleyways.

Mayor Alt asked if there was any further discussion. Hearing none, the motion passed unanimously.

Mayor Alt stated that he hoped additional information would be available by the Board's next regular meeting on the 3rd, or if not, by the meeting on the 13th or 14th.

Alderman Kelley asked whether the City would establish a policy moving forward to address future declarations of withdrawal, noting that multiple letters had already been sent and asking whether a standardized approach could be implemented.

Alderman Carroll responded that a consistent process should be used moving forward and stated that the Board should not need to vote individually on each case. He suggested that when additional declarations are identified, staff should send the same standardized letter using consistent language and expectations.

Mayor Alt stated that when legal action is involved, Board authorization is typically required at some point, either in open or closed session. He added that once the City Manager takes action, the Board should be notified so members remain informed.

City Manager Saldo stated that the Board could delegate authority to him to send letters through the City Attorney for any identified withdrawals of dedication.

Alderman Lai stated that this situation highlighted a lesson learned and emphasized the need to establish a consistent process moving forward that allows staff to carry out these actions appropriately.

Mayor Alt stated that this should become part of the City's standard operating process and recommended that Board notification be included whenever such actions occur. He asked that it be added to the motion.

Alderman Carroll offered to make the motion and requested that City Manager Saldo restate it.

City Manager Saldo stated a proposed motion to delegate authority to the City Manager and City Attorney to send letters regarding withdrawals of dedication located in City alleyways and to report those actions back to the Board.

Alderman Carroll amended the motion to include rights-of-way and requested that the Board be notified when actions are taken.

Alderman Davis expressed concern about expanding the scope to rights-of-way, stating that alleyways and rights-of-way are different.

Mayor Alt recommended broadening the scope to include all public property to ensure consistency and avoid ambiguity.

Alderman Carroll agreed and amended the motion to include all public property.

The motion was seconded by Alderman Kelley. With no further discussion, the motion passed unanimously.

City Manager Saldo then asked for Board direction regarding next steps related to the Hatems' response, including whether attorneys should proceed with discussions to reach a resolution or wait to address the matter during closed session, and how to handle any future responses received from the Harrelsons or other parties.

Mayor Alt stated that the Board, not the Mayor individually, must make decisions on how to proceed. He emphasized that two parallel efforts could move forward simultaneously: continued investigation and outreach regarding historic withdrawal filings, and efforts to resolve the current matter involving the Hatems. He stated that if the matter could be resolved quickly through mutual agreement, that approach should be pursued. He invited a motion to authorize the City Manager and City Attorney to continue working toward resolution while other research efforts proceeded.

Alderman Carroll made a motion authorizing the City Manager and City Attorney to pursue resolution discussions not only with the Hatems but also with any individuals receiving similar letters.

Alderman Davis stated that any negotiated resolution would ultimately require Board approval and that attorneys could not finalize an agreement independently.

Mayor Alt agreed, stating that attorneys could pursue discussions as a next step, but any agreement would return to the Board for final authorization. He added that if a resolution could be reached within a short timeframe, such as several days, it would be beneficial, but final approval would remain with the Board.

City Attorney Herman stated that even preliminary agreements would likely require Board authorization.

Alderman Carroll agreed with the approach. He emphasized the importance of obtaining complete and accurate information before final resolutions are made. He stated that the City currently does not have a full title search or comprehensive documentation and questioned what authority the City Attorney would have during resolution discussions without that information.

Alderman Carroll asked whether the goal of any resolution would be to simply withdraw the filed document or to conduct additional research to determine the facts and identify the most appropriate course of action. He stated that if research ultimately shows that filings were legally valid, the City would need to consider how to proceed under those circumstances.

He further suggested that conducting research on the Hatems' property and other similar cases, including the Anderson property, could provide broader insight and allow the City to develop a consistent, standardized approach for handling similar situations in the future. He described this as a "class-type" approach across multiple cases rather than addressing each matter in isolation.

Mayor Alt asked whether Alderman Carroll was suggesting that the City and its attorneys delay working with the Hatems until all research was completed.

Alderman Carroll responded that he was not suggesting that discussions stop and stated that communication should continue.

Mayor Alt stated that the Board should pursue resolution efforts in parallel with ongoing research and that information gathered through these efforts would help inform future decisions.

Alderman Lai emphasized the importance of establishing consistency moving forward and creating a standardized process.

Alderman Mosteller stated that future efforts should prioritize conversation and communication: leading with conversation.

Alderman Davis expressed concern that withdrawals may be difficult to identify, noting that some filings were only discovered after being brought forward by third parties. She stated that this could make comprehensive identification challenging and potentially costly.

Alderman Carroll responded that the timing of filings was unrelated to political office and cautioned against politicizing the issue. He emphasized that the focus should remain on the documents themselves and the applicable process.

Alderman Davis stated that her concern was how the City would know what declarations of withdrawal had been filed without being directly notified. She questioned how the City could organically become aware of such filings.

Alderman Carroll asked Planning Director Meehan whether City staff had any prior conversations with John Langley regarding this matter in December 2024, noting that some believed the issue had first been raised in August or September. Director Meehan stated that she was not aware of any such conversation.

City Manager Saldo explained that Mr. Langley submitted a public records request in December 2024 seeking information related to the subject parcels and surrounding properties. He stated that at the time staff did not know what Mr. Langley was ultimately seeking and that the request focused on permits and easement-related records. He explained that staff responded to the public records request and provided the available documents.

City Manager Saldo stated that the substantive discussion regarding the withdrawal issue did not occur until September, when Mr. Langley reengaged the City and subsequently presented information to the Board that initiated the current matter.

Alderman Carroll asked what specific communication occurred during the December 2024 correspondence.

City Manager Saldo stated that staff provided the requested public records, including permit-related and construction-related information, and noted that the request involved multiple properties, not just the single property currently under discussion. He reiterated that Mr. Langley

returned in August to raise the issue again, which led to the letter being presented to the Board that started this conversation.

Mayor Alt stated that in December 2019 City staff responded to Mr. Langley's public records request and indicated that there was no dedicated easement associated with the subject property. He noted that Mr. Langley had used the term "easement" in his request and recalled that staff responded specifically to that terminology. Mayor Alt emphasized that an alley is not the same as an easement. Director Meehan confirmed that she did remember that conversation.

Alderman Carroll stated for the record that Mr. Langley is a real estate agent and should understand the difference between an easement, a rights-of-way, and an alleyway. Alderman Carroll then asked City Attorney Herman whether the general statute referenced in the declaration of withdrawal filings, including those associated with the Hatems and Mr. Harrelson, required notice to be provided.

City Attorney Herman stated that the statute allows for a private withdrawal and that notice is provided through the recording of the document in the public registry.

Alderman Carroll stated that he wanted that clarification noted for the record.

Alderman Kelley asked whether, going forward, the City would receive any notification if a new declaration of withdrawal were filed, or whether staff would need to continue monitoring records to identify such filings.

City Attorney Herman stated that his understanding was that no direct notification is provided to the City and that monitoring public registry records would be required. He added that in some instances property record cards within the County GIS system may note a declaration of withdrawal, which could provide another way to identify filings, but confirmed that searching the Register of Deeds would remain the primary method.

Alderman Kelley asked whether the City could proactively notify local real estate attorneys of the City's policies in order to prevent future issues.

Alderman Carroll cautioned that selectively notifying certain attorneys could create potential liability concerns. He stated that unless every attorney who might close a transaction in Southport was notified, the City could be exposed to risk. He added that attorneys should already be familiar with applicable ordinances and state statutes.

Alderman Lai asked whether the City could instead publish guidance on the City website or pursue another public-facing method.

Mayor Alt suggested coordinating with the Register of Deeds, noting that the Register is a constitutional officer and does not report to the City. He proposed requesting that the Register notify the City when declarations of withdrawal are filed.

Alderman Carroll clarified that he was not suggesting placing the Register “on notice,” but rather requesting voluntary coordination so the City could be made aware of filings. Mayor Alt stated that such coordination could reduce costs and administrative burden.

Mayor Alt stated that the Board could proceed with that approach and asked for a motion directing the City Manager to initiate communication with the Register of Deeds.

A motion was made by Alderman Kelley to direct the City Manager to contact the Register of Deeds to discuss notification procedures related to declarations of withdrawal. The motion was seconded by Alderman Carroll.

Alderman Spencer stated that priority should be given to having that conversation before engaging in further legal action.

The motion passed unanimously.

Alderman Davis stated that she wanted to return to an earlier point, noting that under the current process anyone could file a declaration of withdrawal on City property without the City being immediately aware. She expressed concern that the Board had just approved researching records back to 1930 and stated that this could place the City in an expensive and difficult position.

Mayor Alt responded that the Board had also approved a separate, forward-looking action to work with the Register of Deeds to explore a potential notification process. He stated that because the Register of Deeds is a constitutional officer, that approach could help prevent similar situations in the future before issues escalate.

Alderman Kelley stated that the Register of Deeds may determine that such coordination is outside her responsibilities, but agreed it was worth pursuing.

Alderman Carroll stated that the historical review and forward-looking notification efforts were two separate actions. He confirmed that outside counsel would conduct the historic research, while the Register of Deeds discussion addressed future filings. He stated that he believed this approach was reasonable and productive. He also apologized if any comments earlier in the discussion had caused offense.

Alderman Mosteller stated she wished to speak before adjournment in the interest of transparency. She apologized publicly to both Mr. Harrelson and the Hatems, stating that the situation had become unnecessarily politicized and had taken on the appearance of a “circus.” She noted Mr. Harrelson’s service as a former state representative and Secretary of Transportation and Dr. Hatem’s decades of service to the community through Doshier Hospital. She stated that she believed the matter should have been handled administratively through the City Manager and Planning Department rather than evolving into a public political issue. She stated this is why we have professional staff. She further stated that she had asked the Planning Director to review potential alleyway encroachments and that approximately ten properties had been identified through GIS review, acknowledging that these were preliminary findings and not

formal surveys. She stated that Southport's age contributes to such issues and expressed personal embarrassment with the process and the expenditure of City resources.

Alderman Davis asked whether the list of ten properties was available.

Alderman Mosteller clarified that the information was preliminary and based on GIS data only and may not be fully accurate.

Alderman Carroll suggested holding off.

Mayor Alt stated that encroachments differ from ownership filings and declarations of withdrawal but acknowledged that such infrastructure irregularities are common in older municipalities.

Alderman Carroll stated that he believed the discussion had been productive and constructive.

Mayor Alt responded that while there may be disagreement on that characterization, the Board's goal of transparency had been met, documents had been entered into the record, and actions had been taken to establish a clearer process moving forward.

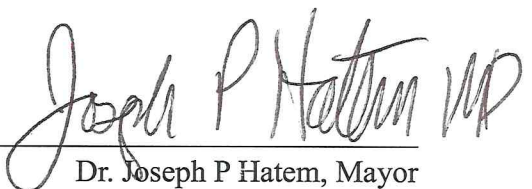
Alderman Davis stated that since the meeting was being characterized as productive, she requested a brief summary of actions taken.

Alderman Carroll stated that the Board had engaged in open discussion, identified paths forward, and taken procedural actions to improve consistency and transparency.

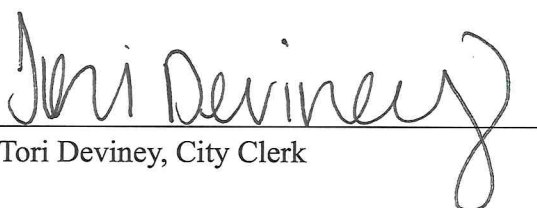
Alderman Davis added that the Board had made an effort to treat all parties fairly and equitably.

Mayor Alt agreed and asked for a motion to adjourn. A motion to adjourn was made by Aldermen Kelley and seconded by Alderman Carroll. The motion passed unanimously.

Meeting Adjourned at 10:23 AM.


Dr. Joseph P Hatem, Mayor

ATTEST:


Tori Deviney, City Clerk

