

"A Historic Past"



"A Bright Future"

CITY OF DELAWARE CITY

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302-834-4573

**CITY OF DELAWARE CITY
SPECIAL MAYOR AND COUNCIL MEETING
November 14, 2012**

CALL TO ORDER

The Honorable Mayor Buchheit called to order the special meeting of the Mayor and Council at 1:00 PM.

PLEDGE OF ALLEGIANCE

The Honorable Mayor Buchheit led the Pledge of Allegiance.

ROLL CALL

The following Council Members were present: Barrett, Titus, Johnson, Sullivan and Green. Also present were City Manager Cathcart and City Secretary Gwynn.

PROCLAMATION DECLARING NOVEMBER 15, 2012 NATIONAL "I LOVE TO WRITE DAY"

The Honorable Mayor Buchheit read and signed the proclamation declaring November 15, 2012 as "I Love to Write Day".

CONSIDERATION OF THE STERLING'S AUCTION BID

The Honorable Mayor Buchheit recused himself and turned the meeting over Vice Mayor Johnson, as Mayor Buchheit's lifelong partner was the second highest bidder. The Honorable Vice Mayor Johnson opened the floor for consideration of the Sterling's auction bid. He said there were three copies of the contract so everyone could review them. City Manager Cathcart said it might be helpful for Glen McDonald of Max Spann Real Estate and Auction Company to give an overview of the transaction. Mr. McDonald introduced himself and stated the terms as follows: all registered bidders signed a bidder acknowledgement form which stated that the real estate was publically auctioned and not subject to an attorney review period: all registered bidders reviewed the contract in

advance and acknowledged in writing that they reviewed and were agreeable to all terms including a buyers premium of 10%. The high bidder tendered a 10% deposit. They have acknowledged that they bought it "as is" and that the condition subject to all faults without any warranties, representations or guarantees of any kind. The contract is fully executed and the buyers intend to close within 30 days as stipulated in the contract. Council questioned what would happen if the buyers were to back out. Mr. McDonald said it was covered in the contract. They would forfeit their deposit and the building would be reauctioned. Council questioned if there was a time limit when something had to be done with the building. The response was that no time limit could be sent.

City Manager Cathcart said the proposal before Council was a high bid price of \$430,000 which is a net amount to the City. There are two outstanding notes on the building from Sun National Bank. The payoffs, effective 12/1/12, are \$254,057 and \$169,446. The total payoff is \$423,503.

Council Member Sullivan made a motion to accept the offer for the purchase of Sterling's. Council Member Barrett seconded the motion. A roll call vote was taken, all ayes, motion carried.

ADJOURNMENT

Council Member Green made a motion to adjourn the meeting. Council Member Titus seconded the motion. A vote was taken, all ayes, motion carried. The meeting adjourned at approximately 1:07 PM.

Respectfully submitted,
Dawn K. Gwynn
City Secretary



ATTENDANCE SHEET – PLEASE SIGN IN

MEETING: Special Mtg meeting DATE: 11/14/12

NAME:

ADDRESS:

DAVE SWIDER
TIM KONKUS
GLEN McDONALD (MAX SPANN)
ROB DANW (" ")

210 CLINTON
382 CANLAW
CLINTON, NJ