



# MEMORANDUM

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**To:** Finance Committee

**From:** Rich Olson, City Manager

**Date:** April 1, 2013

**Re:** Consideration – Agreement with Evangelos Alexopoulos re  
Circle II Restaurant Utility Account

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***BACKGROUND:***

By memo dated February 7, 2013, City staff advised the Council that the Circle II Restaurant was being closed by the NC Department of Revenue for failure to pay sales taxes and employee withholding taxes. At that time, it was brought to my attention that the Circle II Restaurant also owed the City \$19,655.54 in outstanding utility bills.

***ANALYSIS:***

On February 19, 2013, City staff provided the Council with additional information regarding the utility account for Circle II. The Circle II Restaurant established utilities with the City on August 16, 1993. The service application was executed by Evangelos "Van" Alexopoulos. When Mr. Alexopoulos sold the Circle Restaurant to Cheryl Bundy in 2006, he never had the utilities switched over into her name.

Bill Morgan and I have met with Tom Nash, who is representing Mr. Alexopoulos, on several occasions to discuss this matter. The result of these discussions is represented by the attached agreement.

You will note that Mr. Alexopoulos has agreed to be responsible to pay \$15,000 of the outstanding balance due. The agreement calls for a lump sum payment of \$2,500 to be made on or before April 1, 2013; and thereafter payments of \$300 per month until paid in full. It will take 42 months to retire the remaining balance.

City staff will attempt to collect the remaining \$4,655.34 from Cheryl Bundy.

The Finance Committee first discussed this matter during the meeting of March 21, 2013 and the City Council considered this matter during a Closed Session on March 25, 2013.

***STAFF RECOMMENDATION:***

Recommend that the City Council authorize Mayor Joseph W. Peel to execute the attached agreement.

RCO/vdw

STATE OF NORTH CAROLINA  
COUNTY OF PASQUOTANK

### AGREEMENT

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of March, 2013 by and between EVANGELOS ALEXOPOULOS and wife, ASPASIA ALEXOPOULOS (hereinafter "Alexopoulos") and THE CITY OF ELIZABETH CITY, INC. (hereinafter "City")

#### W I T N E S S E T H:

WHEREAS, The City of Elizabeth City Department of Utilities has provided documentation evidencing an outstanding account for The Circle II Restaurant at 205 S. Hughes Boulevard (the "Property") during the period of time through February 12, 2013 in the amount of \$19,655.54, said account bearing account number 3900900.00 90, being in the name of Circle Restaurant II; and

WHEREAS, Alexopoulos established utility services with City for the Circle II Restaurant on August 16, 1993; and

WHEREAS, Alexopoulos sold the Circle II Restaurant to Cheryl H. Bundy pursuant to Contract for Warranty Deed dated January 2, 2007 at which time Alexopoulos failed to have the utility service terminated for account number 3900900.00 90; and Cheryl H. Bundy failed to have utility service established under a new account name for the facility.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Alexopoulos does hereby agree to be personally responsible for and to pay \$15,000.00 of the amount owing to the City of Elizabeth City pursuant to the account number 3900900.00 90 in the following manner: \$2,500 on or before April 1, 2013; and thereafter, \$300.00 per month beginning May 1, 2013 and payable on like day of each month thereafter until paid in full. City agrees that no interest or penalties shall accrue as to said amount.

2. In consideration of the execution of this Agreement by Alexopoulos and his promise to pay the stated amount in accord with Paragraph 1 of this Agreement, City agrees as follows:

- City will allow the utilities to be turned on at the Property under a new account and shall not require a deposit from Alexopoulos.

- City shall release Alexopoulos from responsibility or payment of any delinquent amount owing over and above the \$15,000.00 under account number 3900900.00 90.
- City will allow the account to be switched to the name of a new tenant or owner upon the payment of the standard City required deposit by said new tenant or owner.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

ALEXOPOULOS

Evangelos Alexopoulos (SEAL)  
Evangelos Alexopoulos

Aspasia Alexopoulos (SEAL)  
Aspasia Alexopoulos

THE CITY OF ELIZABETH CITY

By: \_\_\_\_\_ (SEAL)  
Joseph W. Peel, Mayor

ATTEST:

\_\_\_\_\_  
Dianne S. Pierce-Tampien, MMC  
City Clerk