

THE CITY COMMISSION  
CITY OF PARIS, TENNESSEE  
AUGUST 1, 2013  
REGULAR MEETING

The Board of Commissioners of the City of Paris, Tennessee met in regular session Thursday, August 1, 2013 at 6:00 p.m. in the City Hall Courtroom of the City of Paris, Tennessee for the purpose of conducting the following and any other business:

**OLD BUSINESS:**

1. Possible Ordinance Banning Pseudoephedrine-Based Medicines

**NEW BUSINESS**

1. Financial Update
2. Appointments to Boards
3. Proposed Sign Ordinance to Amend the SC-1 (Shopping Center) Regulations of the Zoning Ordinance (First Reading)
4. Grant of Partial Release of Lien
5. FY Audit Summary
6. Presentation of FY 13 Unaudited Close Out
7. Presentation of Budget Revision – Purchase
8. Motion to Ratify the Mayor’s Execution of a Deed to Bethel

**STATUS OF VARIOUS PROJECTS AND DEPARTMENTAL SUMMARIES**

1. Project Update Sheet

Present: Mayor Sam Tharpe  
Vice Mayor Gayle Griffith  
Commissioner Terry Fuller  
Commissioner Pete Lackey  
Commissioner Carlton Gerrell

Also Present: Carl Holder, City Manager  
Fred McLean, City Attorney  
Kim Foster, Finance Director  
Willette Ray, Administrative Assistant to the City Manager  
Jennifer Morris, Community Development Director  
Charles Elizondo, Police Chief  
John Etheridge, Board of Public Utilities

Media: Bill McCutcheon, The Paris Post-Intelligencer  
Tim Alsobrooks, WMUF

Mayor Tharpe called the meeting to order. The Pledge of Allegiance and a Moment of Silence were observed.

**APPROVAL OF MINUTES**

The minutes of the previous meetings held August 1, 2013 were approved as presented following a motion by Vice Mayor Griffith and seconded by Commissioner Gerrell. The motion carried unanimously.

**COMMENTS FROM CITIZENS**

Mr. Phillip Swartz, of 2160 Highway 641 North, is the owner of the former Coffee Cup Café. He was denied a beer permit and stated that his time limitations had ran out. He said it was due to being tied up in litigation with the prior lessee.

The Commission agreed to have Attorney McLean review the details of a letter that was submitted by Mr. Swartz, and to provide legal interpretation on this matter. The Commission stated that they would agree with McLean’s findings and that this matter would not have to be presented again.

**COMMENTS FROM COMMISSION**

No comments.

**OLD BUSINESS**

**POSSIBLE ORDINANCE BANNING PSEUDOEPHEDRINE-BASED MEDICINES**

The Board received a packet of information from City Attorney McLean which the Board reviewed before addressing the subject.

There are some cities that are looking at an ordinance to help fight the meth problem in their areas. City Manager Holder explained to the Commission that the DEA suggest small operations of meth labs contribute very little to the overall problem as around 80% of the active ingredients come to the U.S. from Mexico.

According to Holder the downsides to passing such an ordinance would include the extra burden it puts on pharmacies and the public.

Chief Elizondo told commissioners he had done some research and of four pharmacies in Paris they only average selling one box of medicine containing pseudoephedrine per day with the most of three boxes sold. He also said our pharmacies do not sell the drug to out-of-town persons. The Chief also said a new drug, Nexafed, is available and contains pseudoephedrine, which gives relief to symptoms of colds and sinus but cannot be cooked down into methamphetamine.

After a lengthy discussion, the Commission decided not to consider such as ordinance.

## **NEW BUSINESS**

### **FINANCIAL UPDATE**

Finance Director Kim Foster stated that retail sales are bouncing back. Foster stated they are still below last year's.

### **APPOINTMENTS TO BOARDS**

Mayor Tharpe appointed Commissioner Fuller to the Housing Authority Board for a five-year term. His term will expire July 7, 2018.

After a brief discussion, Vice Mayor Griffith made a motion which was seconded by Commissioner Lackey to appoint Norma Gerrell to the Regional Library Board for a three-year term. Her term will expire on July 1, 2016. The motion carried unanimously.

Vice Mayor Griffith made a motion which was seconded by Commissioner Fuller to reappoint Dan Veazey and Randy Scholes to the Planning Commission for another three-year term. Their terms will expire on August 8, 2016. The motion carried unanimously.

Vice Mayor Griffith was reappointed to the Planning Commission by acclamation upon a motion by Commissioner Fuller.

### **PROPOSED SIGN ORDINANCE TO AMEND THE SC-1 (SHOPPING CENTER) REGULATIONS OF THE ZONING ORDINANCE (FIRST READING)**

At the May 9<sup>th</sup> Regular Meeting of the Planning Commission, a request was considered at the request of Mr. Jeff Foster of Eats and Treats located on Mineral Wells Avenue in the parking lot of the Kroger Shopping Center. Foster requested consideration for a separate stand-alone sign for his business located in this development as an "outparcel" even though the building is owned by the current owner.

After a brief discussion, Ms. Terrell made a motion which was seconded by Mr. Scholes to refer this Ordinance to the City Commission as written. The motion carried unanimously.

After a brief discussion, Commissioner Fuller made a motion which was seconded by Commissioner Lackey to approve the proposed sign ordinance on First Reading. The motion carried unanimously.

A Public Hearing and a Second Reading will be held at the next scheduled City Commission meeting Thursday, September 5, 2013.

### **GRANT OF PARTIAL RELEASE OF LIEN**

The City of Paris holds a Deed of Trust from the Paris Industrial Development Board (IDB) on the property occupied by ICI under a 2006 PILOT agreement. The City is requested to grant a partial release of lien based on the proposed property purchase by TDOT for the 641 North improvements. The purchase is for less than 400 square feet.

The Commission will need to authorize the Mayor to grant the release so the IDB can convey the property to the State of Tennessee.

After a brief discussion, Commissioner Fuller made a motion which was seconded by Commissioner Lackey to authorize the Mayor to sign the necessary documents to release the lien on the abovementioned property. The motion carried unanimously.

**FY 12 AUDIT SUMMARY**

In FY 2012 the **General Fund** shows a deficit of \$762,000. However, there were \$776,000 of reimbursable expenses on Joy Street and the HCMC / Bethel Project not included in FY 12 Revenues.

In FY 2012 **Solid Waste Fund** operated at a net increase in assets of \$715,000. However, only \$490,000 of this amount is available in cash for operations. The balance was non-cash items.

The FY 2012 **Drug Fund** ran a deficit of \$10,000 of an anticipated \$30,000 deficit. However, the Fund has a fund balance of \$100,000.

**THDA** operated at a surplus of \$83,000 as a result of a house sale in the Neighborhood Preservation Grant.

**PRESENTATION OF FY 13 UNAUDITED CLOSE OUT**

**General Fund Revenues** - \$180,000 under budget as shortfalls occurred in Local Option Sales Tax and Liquor related taxes.

There are also shortfalls in the Joy Street Grant, Bethel / HCMC Project, the Bethel Lease, and County By-Pass Revenues which were collected in July or reimbursed in FY 2014. If this approximate \$800,000 in revenues is added to the June 30<sup>th</sup> revenues, total Revenues are \$14,733 million, against expenses of \$14,654 million or an unaudited surplus of about \$80,000. The initial spending plan called for a deficit of - \$30,000.

**Solid Waste Fund** operated at a surplus of \$213,000 subject to adjustments.

**Drug Fund** operated at a \$10,000 deficit.

**PRESENTATION OF BUDGET REVISION - PURCHASE**

Over the years we have often had to rent a trackhoe. In discussing our past needs for such a machine, against our future use relating to a probable five to seven years drainage improvements project by force account labor, the possible use for demolition of dilapidated structures, and landfill needs, we have concluded that the purchase of a trackhoe would be a good long term investment.

Staff believes we can forego the purchase of a used packer, eliminate expenditures on structural demolitions, and machine rentals to cover the purchase of a \$111,000 to \$130,000 good used machine.

Since this is a significant modification to the budget plan, hence Commission approval is desirable. The Commission granted City Manager the authority to purchase a trackhoe. Proposal will be requested for a machine.

**MOTION TO RATIFY THE MAYOR'S EXECUTION OF A DEED TO BETHEL**

The City of Paris and Bethel University have a fifteen (15) year rental agreement for the Bethel facility. Bethel has requested to exercise their option under the Agreement to purchase the structure. As required by the Lease, we have issued a Deed to the property. However, Staff believes we need to have a record of the transaction. Therefore, we requested that a motion be made to ratify the Mayor's execution of a Deed to Bethel.

After a brief discussion, Vice Mayor Griffith made a motion to ratify the Mayor to sign the appropriate deed to the property previously leased to Bethel University, as prepared by Counsel, and also authorize the Mayor to execute any and all documents as may be necessary to pay off and terminate the 2011 Bond issued through the Tennessee Municipal League Bond Pool. The motion was seconded by Commissioner Gerrell and carried unanimously.

The payoff from Bethel is \$6,515,000. Our payoff to the Pool will be approximately \$6,185,000. The variance should accrue as FY 13 Revenues.

**PROJECT UPDATE SHEET**

The Ongoing Project Update Sheet, as of July 22, 2013, was presented for review.

	<b><u>Item</u></b>	<b><u>Primary Staff</u></b>	<b><u>Target Completion Date(s)</u></b>	<b><u>Notes</u></b>
1	Bethel / HCMC	Holder		Finalized settlement between partners; Awaiting final billing for payment and reimbursement.
2	Joy Street	Holder / Morris	7-31-13	Progressing, held up on paving.
3	Collinwood Drainage	Public Works	Weather dependent	Complete
4	Hazelwood	Holder	???	Selection committee meets in early August.

5	Annexation Projects	Holder / Morris	08-30-13	Near completion.
6	Employee Handbook	Holder / Foster / Ray	indefinite	Reflect personnel rules; No progress
7	641 North	Holder / Morris	Oct	Negotiating w/ TDOT on City owned property on 641 and coordinating negotiations with ICI on property in name of PIDB.
8	MTAS Benchmarking	Holder		Met w/ DH's in July to explain program.
9	218 Bypass	Morris / Holder / Greer	Undetermined	Chatham of McKenzie will do first appraisal; Flowers will review appraisal; October 1st deadline for purchases.
10	Valleywood Drainage Project	Holder / Jessie	Undetermined	Neel- Schaffer study of drainage complete; ARAP permit applied for on July 22 <sup>nd</sup> .

There being no further business the meeting was duly adjourned at 6:50 p.m.

/s/Samuel Tharpe  
Mayor

/s/Kim Foster  
Finance Director