THE CITY COMMISSION
CITY OF PARIS, TENNESSEE
AUGUST 7, 2014
SPECIAL-CALLED MEETING

The Board of Commissioners of the City of Paris, Tennessee met in a special-called session Thursday, August 7, 2014 at 5:00 p.m. in the City Hall Courtroom of the City of Paris, Tennessee for the purpose of conducting the following and any other business:

NEW BUSINESS:

1. Financial Update
2. Appointments to Boards
3. Mixed Drink Tax Agreement
4. Resolution Authorizing the City of Paris to Participate in TML's Risk Management Pool "Safety Partners" Loss Control Matching Grant Program
5. Resolution Authorizing the City of Paris to Participate in TML's James L. Richardson "Driver Safety" Loss Control Matching Grant Program
6. Agreement with State Board of Regents
7. Local Option Sales Tax Correction
8. Ordinance to Amend 4-102, Enact 4-102E, Amend 11-1308C, and Enact 11-1803 of the Paris Municipal Code (First Reading)

STATUS OF VARIOUS PROJECTS AND DEPARTMENTAL SUMMARIES

1. Project Update Sheet

Present: Mayor Sam Tharpe
Vice Mayor Gayle Griffith
Commissioner Terry Fuller
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
John Etheridge, Board of Public Utilities

Media: Bill McCutheon, The Paris Post-Intelligencer

Mayor Tharpe called the meeting to order. The Pledge of Allegiance was presented by Vice Mayor Griffith and a Prayer was presented by Commissioner Gerrell.

APPROVAL OF MINUTES

The minutes of the special called meeting held Thursday, July 3, 2014 were approved as presented following a motion by Vice Mayor Griffith and seconded by Commissioner Gerrell. The motion carried unanimously.

COMMENTS FROM CITIZENS & PUBLIC

None

COMMENTS FROM THE COMMISSION

Commissioner Fuller requested that at the special called meeting scheduled for Wednesday, August 13th that City Manager Holder present a revised City Manager selection schedule. There was consensus agreement among the Commission members.

NEW BUSINESS

FINANCIAL UPDATE

Finance Director Kim Foster presented the Financial Update. Retail Sales continue to show strong growth. For the month of May sales were up 4.3% from 2013 and 2.55% from 2012. This makes six straight months of positive growth.

Overall, we finished our fiscal year on a high note. In the General Fund we had budgeted to take a little over $300,000 from Fund Balance, but will have to take less than $150,000. This is attributable to prudent spending by our department heads, as well as not getting as far along on a couple of community development projects as we had hoped. (Back Alley Paris and some Annexation related items).

We also received the final reimbursement on the Joy Street Project which helped our Revenues. The Solid Waste Fund ended the fiscal year on an even higher note with Expenses being slightly under budget while Revenues exceeded projections.

We will be adding approximately $200,000 to our Solid Waste Fund balance this year. Please do remember though that these are unaudited figures and may change slightly once our audit is completed.

APPOINTMENTS TO BOARDS

Mayor Tharpe reappointed Terry Wimberley to the Planning Commission for another 3 year term. His term will expire on August 8, 2017.

After a brief discussion, Commissioner Gerrell made a motion which was seconded by Vice Mayor Griffith to reappoint George Bass, Jr. to the Housing Board of Adjustments and Appeals for another 3 year term. His term will expire on August 14, 2017. The motion carried unanimously.

After a brief discussion, Commissioner Gerrell made a motion which was seconded by Vice Mayor Griffith to reappoint Terry Fuller to the Housing Board of Adjustments and Appeals for another 3 year term. His term will expire on August 14, 2017. The motion carried unanimously.

MIXED DRINK TAX AGREEMENT

City Attorney Fred McLean provided information on the Mixed Drink Tax Agreement. After a brief discussion, Commissioner Gerrell made a motion which was seconded by Vice Mayor Griffith to give Mayor Tharpe the authority to sign the Agreement. The motion carried unanimously.

AGREEMENT

Whereas, the City of Paris, Tennessee, "City" levees a Mixed Drink Tax pursuant to T.C.A. 57-4-301(c); and,

Whereas, T.C.A. 57-4-306(a)(2)(A) provides that one half (½) of the Mixed Drink Tax proceeds collected by the City shall be distributed to the Henry County Board of Education, "Board of Education" and the Paris Special School District, "PSSD"; and,

Whereas, it has been discovered that the City has inadvertently failed to remit to the Board of Education and PSSD their portion of the aforementioned Mixed Drink Tax proceeds; and,

Whereas, the State of Tennessee has enacted legislation, the same being T.C.A. 49-2-203(d) whereby the City, the Board of Education, and PSSD can enter into a binding agreement to compromise and settle the City's obligation for back mixed drink taxes owed to the Board of Education and PSSD; and,

Whereas, the City, the Board of Education, and PSSD wish to enter into such an agreement whereby the City pays to the Board of Education and PSSD an agreed sum in full and final compromise and settlement of the City's obligation to the Board of Education and PSSD for previously unpaid Mixed Drink Taxes as provided for and authorized by the provisions of T.C.A. 49-2-203(d).

WITNESSETH

The parties understand and agree as follows:

1. The City shall pay to Board of Education and PSSD the sum of $115,073.36. Said sum of $115,073.36 represents the agreed amount of unremitted payments owed by the City to Board of Education and PSSD for fiscal years 2005 – 2014 as provided on the attached Exhibit "A".
2. Said payment of $115,073.36 shall be made in five (5) equal annual installments totaling $23,014.67 per year.
3. The City shall remit the said five (5) annual installments on September 1, 2014 and on September 1st of each succeeding year thereafter until said agreed amount is paid in full.
4. There shall be no interest paid on said installment payments.
5. The City shall remit said payments to Board of Education and PSSD in amounts to be apportioned between Board of Education and PSSD as agreed to by and between Board of Education and PSSD. Said apportionment of each of the five installment payments shall be in the amounts as set out on the attached Exhibit "B".
6. Said payment shall be paid directly from the City to the Board of Education and PSSD.

7. The parties understand and agree that this is a binding agreement that addresses, compromises, and settles the City's responsibility for failing to remit past Mixed Drink Tax revenues to Board of Education and PSSD as required by T.C.A. 57-4-306(a)(2).
8. The parties are entering into and approving this agreement as the final understanding of the obligations between the parties and each party understands and agrees that said agreement shall not be subject to additional requests or demands as is provided for in T.C.A. 49-2-203(d)(2).
9. The parties understand and agree that a copy of this agreement shall be filed with the Comptroller of the Treasury and the Commissioner of Revenue for the State of Tennessee for the purposes provided for in T.C.A. 49-2-203(d)(2).

This agreement entered into this the 7th day of August, 2014.

/s/Samuel Tharpe
Sam Tharpe, Mayor
City of Paris

/s/Sam Miles
Sam Miles, Superintendent,
Henry County Board of Education

/s/Mike Brown
Mike Brown, Superintendent
Paris Special School District

EXHIBIT A

MIXED DRINK TAX SETTLEMENT

FYE	COP Full Allocation	50% to Schools
2014	24,975.78	12,487.89
2013	24,080.00	12,040.00
2012	20,926.76	10,463.38
2011	20,800.68	10,400.34
2010	20,894.50	10,447.25
2009	23,688.00	11,844.00
2008	26,614.00	13,307.00
2007	27,494.00	13,747.00
2006	22,477.00	11,238.50
2005	18,196.00	9,098.00
TOTAL	***$ 230,146.72***	***$ 115,073.36***

EXHIBIT B

MIXED DRINK TAX SETTLEMENT

FYE	Amount to PSSD	Amount to HCSS
2014	7,470.55	15,544.12
2015	7,470.55	15,544.12
2016	7,470.55	15,544.12
2017	7,470.56	15,544.12
2018	7,470.56	15,544.11

Said amounts shall be paid to each school system beginning September 1, 2014 and each September 1 thereafter until paid in full.

RESOLUTION AUTHORIZING THE CITY OF PARIS TO PARTICIPATE IN TML'S RISK MANAGEMENT POOL "SAFETY PARTNERS" LOSS CONTROL MATCHING GRANT PROGRAM

Each year the City applies for the Loss Control Matching Grant. Either the Police Department or Fire Department identifies eligible items which the Department is in real need of, and we attempt to obtain 50% funding.

The limit is $2,000. Staff requests you authorize the Mayor or City Manager to sign the application.

After a brief discussion, Commissioner Fuller made a motion which was seconded by Commissioner Gerrell to authorize the Mayor to sign the application. The motion carried unanimously.

RESOLUTION NO. 1538

A RESOLUTION AUTHORIZING THE CITY OF PARIS, TENNESSEE TO PARTICIPATE IN THE TML RISK MANAGEMENT POOL "SAFETY PARTNERS" LOSS CONTROL MATCHING GRANT PROGRAM

WHEREAS, the safety and well-being of the employees of the City of Paris is of the greatest importance; and

WHEREAS, all efforts shall be made to provide a safe and hazard-free workplace for the City of Paris employees; and

WHEREAS, the TML Risk Management Pool seeks to encourage the establishment of a safe workplace by offering a "Safety Partners" Loss Control Matching Grant Program; and

WHEREAS, the City of Paris now seeks to participate in this important program.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the City of Paris, Tennessee the following:

SECTION 1. That the City of Paris is hereby authorized to submit application for a "Safety Partners" Loss Control Matching Grant through the TML Risk Management Pool.

SECTION 2. That the City of Paris is further authorized to provide a matching sum to serve as a match for any monies provided by this grant.

Resolved this 7th day of August in the year of 2014.

/s/Samuel Tharpe
Mayor

/s/Kim Foster
Finance Director

RESOLUTION AUTHORIZING THE CITY OF PARIS TO PARTICIPATE IN TML'S JAMES L. RICHARDSON "DRIVER SAFETY" MATCHING GRANT PROGRAM

The Richardson "Driver Safety" Grant Program offers financial assistance to Pool members with auto liability coverage whose employees are required to operate city/agency vehicles.

Staff requests you authorize the Mayor or City Manager to sign the application.

After a brief discussion, Commissioner Fuller made a motion which was seconded by Vice Mayor Griffith to authorize the Mayor to sign the application. The motion carried unanimously.

RESOLUTION NO. 1539

A RESOLUTION AUTHORIZING THE CITY OF PARIS, TENNESSEE TO PARTICIPATE IN THE TML RISK MANAGEMENT POOL JAMES L. RICHARDSON "DRIVER SAFETY" MATCHING GRANT PROGRAM

WHEREAS, the safety and well-being of the employees of the City of Paris is of the greatest importance; and

WHEREAS, all efforts shall be made to provide a safe and hazard-free workplace for the City of Paris employees; and

WHEREAS, the TML Risk Management Pool seeks to encourage the establishment of a safe workplace by offering a "Safety Partners" Loss Control Matching Grant Program; and

WHEREAS, the City of Paris now seeks to participate in this important program.

NOW, THEREFORE, BE IS RESOLVED by the Board of Commissioners of the City of Paris, Tennessee the following:

SECTION 1. That the City of Paris is hereby authorized to submit application for a "Safety Partners" Loss Control Matching Grant through the TML Risk Management Pool.

SECTION 2. That the City of Paris is further authorized to provide a matching sum to serve as a match for any monies provided by this grant.

Resolved this 7th day of August in the year of 2014.

s/Samuel Tharpe
Mayor

/s/Kim Foster
Finance Director

AGREEMENT WITH STATE BOARD OF REGENTS

In the effort to remediate flooding issues in the Collinwood Subdivision we have had a plan engineered which calls for a detention pond located at the north end of the property occupied by the Tennessee College of Applied Technology (TCAT) at Paris facility.

The City Attorney had prepared an agreement for the development of the detention facility. Staff requests a motion to approve the proposed agreement between the City and the State Board of Regents subject to any appropriate clarifying modifications by the City Attorney.

After a brief discussion, Vice Mayor Griffith made a motion which was seconded by Commissioner Gerrell to approve the authorization of Mayor Tharpe to sign the Agreement. The motion carried unanimously.

AGREEMENT

Whereas, the City of Paris, "City" wishes to construct a detention pond for the purpose of storm water flood control, "Project" on property identified as Control Map 106, Parcel 25.01, "Property", located within the corporate limits of the City; and

Whereas, said Property is owned by the Henry County Board of Education "Board"; and

Whereas, the Board has leased said property to the Tennessee Board of Regents, "State", for its use by the Tennessee College of Applied Technology, "TCAT"; and

Whereas, the parties wish to enter into an agreement concerning the rights, duties, and responsibilities of the parties relative to the Project.

WITNESSETH

The parties understand and agree as follows:

1. The City shall be allowed to construct the Project on the Property.

2. The Project shall be built in accordance with plans for design and construction prepared by L.I. Smith Engineers. A copy of said design plans are attached to this agreement as Exhibit "A".

3. The entire cost of design and construction of said project shall be borne by the City.

4. The City shall be responsible for repair, maintenance, and upkeep of the Project. Provided, however, TCAT shall be responsible for mowing the Project grounds. Provided, further, TCAT may request mowing assistance from the City from time to time as the need arises.

5. If, in the future, TCAT creates additional impervious improvements on its campus so as to require additional detention capacity for storm water runoff pursuant to any City development requirement, the City shall expand the project to add the required additional capacity.

Entered into this the _____ day of August, 2014.

/s/Samuel Tharpe
Samuel Tharpe, Mayor

Henry County Board of Education
By: _____

Tennessee Board of Regents
By: _____

LOCAL OPTION SALES TAX CORRECTION

Recently the County Clerk's office reviewed sales tax registration information from the Tennessee Department of Revenue (DOR) and found that there were several businesses where the City of Paris was getting credited the local option sales tax in error due to the businesses being located outside the city limits. It was determined that Henry County should have been receiving the local option sales tax for these businesses.

The DOR has created an adjustment reflecting the sales tax the City received in error over the last 12 months. We have received notice from the Department of Revenue stating the adjustment amount that will be deducted from our next two months apportionment.

A letter received from the State of Tennessee Department of Revenue stated that the last 12 months of the businesses were examined. The amount of local sales tax that was credited to the City of Paris in error is $90,081.04. This amount will be deducted from the City of Paris and credited to Henry County. The $90,081.04 will be deducted in two payments of $45,040.52 to satisfy reimbursement to Henry County. The first payment will be deducted starting with the City's August 2014 apportionment.

This was presented to the Commission for informational purposes.

ORDINANCE TO AMEND 4-102C, ENACT 4-102E, AMEND 11-1308C AND ENACT 11-1803 OF THE PARIS MUNICIPAL CODE (FIRST READING)

Included in the agenda was an Ordinance to amend 4-102C, enact 1-102E, amend 11-1308C and enact 11-1803 of the Paris Municipal Code which pertains to building permit fees, inspection fees, sign permit fees, and Planning Commission fees.

This was presented for First Reading.

After a brief discussion, Commissioner Fuller made a motion to approve this Ordinance on First Reading. Vice Mayor Griffith seconded the motion which carried unanimously.

This Ordinance will be presented at next month's City Commission meeting scheduled for Thursday, September 4, 2014 for a Public Hearing and a Second Reading.

STATUS OF VARIOUS PROJECTS AND DEPARTMENTAL SUMMARIES

The Ongoing Project Update Sheet, as of August 1, 2014, is presented for review.

ONGOING PROJECTS
(as of 08-01-14)

	Item	Primary Staff	Target Completion Date(s)	Notes
1	218 Bypass	Holder / Morris / Greer	?	Major issue with moving utilities resolved by Morris; State appears to have resolved issues with railroad; October 29th turn in date doable
2	Bailey Fork I Drainage	Public Works	Weather and funding dependent	TDEC now requiring Mitigation Plan; WTRB Authority now working on developing a mitigation plan using Clifty Creek
3	Back Alley Paris	Holder / Morris	5 Year Implementation	Major grant applications denied; ArtPlace America Grant and NEA; small grant from NWDD ($2,000)
4	Annexation Projects	Holder / Morris	Finished original scope	Peppers Drive and 77 South underway July 1, 2014
5	MS-4 Permit	Holder / Morris / Jessie / Brown	5 Year implementation	New personnel alignment in place; moving forward
6	MTAS Benchmarking	Holder		Will issue Commission a Report soon
7	Collinwood Drainage Project	Holder / Jessie	Ongoing	Completed Phase I; Starting Phase II weather permitting; Engineering complete
8	Transfer Station	Holder / Jessie / Brown	July 2014	Design underway / soil exploration and financing considerations being explored

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

/s/Samuel Tharpe
Mayor

/s/Kim Foster
Finance Director