PARIS, TENNESSEE CITY COMMISSION February 6, 2025

KATHY RAY, MAYOR
KIM FOSTER, CITY MANAGER
JAMES SMITH, CITY ATTORNEY



VICKEY ROBERTS, VICE MAYOR JACKIE JONES, COMMISSIONER SAM THARPE, COMMISSIONER JOHN ETHERIDGE, COMMISSIONER

# BOARD OF COMMISSIONERS MEETING MINUTES CITY OF PARIS, TENNESSEE February 6, 2025 5:00 P.M.

The Board of Commissioners of the City of Paris, Tennessee held a Regular Meeting at 5:00 p.m. on Thursday, February 6, 2025, in the Paris City Hall Courtroom.

The meeting was called to order by Finance Director Tammie Hopper with the following roll call:

**Present**: Commissioner Kathy Ray

Commissioner Vickey Roberts Commissioner John Etheridge Commissioner Jackie Jones Commissioner Sam Tharpe

**Also Present:** City Manager Kim Foster

City Attorney James Smith

Finance Director Tammie Hopper

Administrative Assistant to City Manager Jessica Crouch Community Engagement Coordinator, Abby Pierce Risk and Compliance Coordinator, Bailey Thompson Administrative Assistant to Building, Codes, Stormwater,

Rebecca Renkel

**Absent:** None

Media: Ken Walker, Paris Post Intelligencer

Shannon McFarlin, WENK/WTPR

Commissioner Vickey Roberts led the meeting with the Pledge of Allegiance followed by a prayer led by Commissioner Sam Tharpe.

**APPROVAL OF MINUTES:** Regular Meeting – January 2, 2025

**DISCUSSION:** None

**ACTION:** The minutes stand approved as read.

VOTE: None

**COMMENTS FROM CITIZENS: None** 

**COMMENTS FROM THE COMMISSION:** Commissioner Tharpe thanked State Representative Tandy Darby for his opposition to the education voucher bill. Commissioner Jones thanked staff for Jennifer Morris's retirement celebration.

**SERVICE RESOLUTIONS AND PROCLAMATIONS:** There were no service resolutions or proclamations.

# NEW BUSINESS AGENDA ITEM NO.1 <u>Financial Update</u> Narrative to the December 2024 Operating Statement

Finance Director Tammie Hopper explained that the city had a slight increase in sales tax revenue of .40% with an overall increase of 3.07% over this time last year.

General Fund revenue exceeded expenditures in December due in part to a TDEC ARP/WII Reimbursement Grant payment from the TN Department of Environment & Conservation. The only notable expenditure for the month was to TLM Associates for design work on the new Fire Station.

The city issued three new standard business licenses to: Cielito Lindo Mexican Restaurant, Supreme Service Solutions, Inc. (Food Service), and to DirecTV LLC. We issued two new minimal activity business licenses to: Chris' Construction, and Bright Minds (educational services).

The Parks & Rec Department hired one new Part-time Recreation Building Supervisor and the Police Department received the resignation of a CID Investigator.

#### CITY OF PARIS, TENNESSEE RETAIL SALES TAX REVENUE

		RETAIL SALI	ES TAX REVEN	OL.		%
	FY2021	FY2022	FY2023	FY2024	FY2025	Incr(Decr)
JULY	\$898,979	\$951,793	\$1,046,570	\$1,054,946	\$1,094,220	3.72%
AUGUST	\$843,541	\$895,516	\$931,433	\$943,347	\$1,021,159	8.25%
SEPTEMBER	\$888,921	\$965,256	\$1,067,740	\$947,948	\$934,065	-1.46%
OCTOBER	\$873,733	\$974,047	\$1,036,880	\$1,049,601	\$1,098,267	4.64%
NOVEMBER	\$874,641	\$988,199	\$1,059,818	\$1,088,505	\$1,092,808	0.40%
DECEMBER	\$1,097,412	\$1,210,615	\$1,218,473	\$1,554,254		
JANUARY	\$844,826	\$839,389	\$915,685	\$984,017		
FEBRUARY	\$719,938	\$859,647	\$936,706	\$980,140		
MARCH	\$1,101,592	\$1,102,651	\$1,106,574	\$1,270,965		
APRIL	\$1,040,359	\$1,060,677	\$1,069,082	\$1,061,509		
MAY	\$1,005,346	\$1,105,515	\$1,122,824	\$1,133,990		
JUNE	\$1,013,926	\$1,125,455	\$1,177,018	\$1,130,424		
TOTAL	\$11,203,215	\$12,078,759	\$12,688,803	\$13,199,647	\$5,240,518	
Previous YTD %						
Increase/Decrease	12.16%	7.82%	5.05%	4.03%	3.07%	

#### Monthly Operating Statement December 2024

REVENUES	Annual Budget	Current Month	Yr to Date	Percent Realized
Property Taxes	1,907,000	133,367	403,021	21.13%
Local Option Sales Tax	6,712,000	541,419	3,162,357	47.11%
Wholesale Liquor / Beer	950,000	65,496	452,068	47.59%
Business Tax	500,000	8,822	44,894	8.98%
Fees & Licenses	333,750	39,606	192,932	57.81%
In Lieu Payments	847,700	57,689	446,278	52.65%
Grants	4,467,910	84,419	516,367	11.56%
State Shared taxes	1,947,500	148,985	777,018	39.90%
All Other	2,002,287	176,148	1,452,421	72.54%
Total General Fund Revenue	19,668,147	1,255,949	7,447,357	37.87%
Solid Waste Collection - BPU	1,260,000	232,474	763,077	60.56%
Solid Waste Disposal - Transfer	525,000	63,680	317,242	60.43%
Other Revenue	30,300	548	1,606	5.30%
Total Sanitation	1,815,300	296,702	1,081,925	59.60%
Gate Receipts - Brush & Debris	180,000	10,476	89,331	49.63%
County Share Operating Exp	35,000	0	0	0.00%
Gate Receipts - Tires	8,000	461	2,794	34.93%
Other Revenue	41,550	78	1,856	4.47%
Total Landfill	264,550	11,016	93,981	35.52%
Total Drug Fund	58,050	1,594	27,498	47.37%
TOTAL REVENUES	21,806,047	1,565,260	8,650,761	39.67%

EXPENDITURES	Annual Budget	Current Month	Yr to Date	Percent Realized
Grants & Donations	189,000	0	77,400	40.95%
General Administration	603,008	48,081	329,020	54.56%
Economic Development	194,980	15,007	98,907	50.73%
Financial Administration	345,400	19,478	203,652	58.96%
City Hall Building	115,529	6,744	58,660	50.78%
Police Department	2,864,733	193,814	1,469,230	51.29%
Emergency Communications	739,201	65,924	431,730	58.40%
Fire Department	2,140,696	147,466	1,092,915	51.05%
Building Inspection	308,585	20,584	177,321	57.46%
Street Maintenance	1,979,901	126,139	999,093	50.46%
State Street Aid	1,851,000	5,804	1,679,670	90.74%
Storm Water Management	121,577	11,095	56,392	46.38%
Street Lighting	128,180	8,188	56,538	44.11%
City Garage	315,648	18,743	174,370	55.24%
Cemetery Maintenance	79,152	5,448	43,893	55.45%
Health & Animal Control	220,866	20,565	127,934	57.92%
Civic Center	787,085	43,388	348,309	44.25%
Parks & Recreation	1,352,224	74,238	681,392	50.39%
Library	207,862	0	103,931	50.00%
Community Development	5,427,210	113,189	1,014,930	18.70%
Debt Service	290,000	0	105,557	36.40%
General Fund Expenditures	20,261,837	943,894	9,330,844	46.05%
Sanitation Collection	1,219,977	82,045	622,236	51.00%
Contractual Services	830,000	69,314	408,598	49.23%
Total Sanitation	2,049,977	151,359	1,030,834	50.29%
Total Landfill	240,953	15,427	111,851	46.42%
Total Drug Fund	82,000	120	57,837	70.53%
TOTAL EXPENDITURES	22,634,767	1,110,800	10,531,366	46.53%

REVENUES OVER / (UNDER) EXPENDITURES	Current Month	Yr to Date
General Fund	312,055	(1,883,488)
Sanitation	145,343	51,091
Landfill	(4,411)	(17,870)
Drug Fund	1,473	(30,339)

#### NEW BUSINESS AGENDA ITEM NO.2 Appointments to Boards

None

#### NEW BUSINESS AGENDA ITEM NO. 3 Review of FY 2024 Audit

A fiscal year 2023-2024 audit presentation was given by Matt Wood, Partner & CPA, Alexander, Thompson, Arnold. Wood provided an overview of the financial audit, stating that the city received an unmodified (clean) opinion with no material misstatements or fraud. The city's ending net position was \$27.59 million, including capital assets and long-term debt, while the general fund balance stood at \$8.72 million, reflecting a small decrease of \$124,000. The unassigned fund balance was \$8.67 million, placing the city in a strong financial position, with reserves at 55-60% of general fund expenditures—well above the 20-25% benchmark for financial health.

Property taxes increased by \$170,000 over the prior year, with additional revenue from other taxes rising by \$300,000 due to new revenue sources such as sports betting and state occupancy taxes. Local option sales tax also continued to grow. While the governmental net position decreased, this was expected, as most of the ARPA grant revenue was recorded in 2023, inflating that year's figures. Overall, financials appear stable, with 2024 closely mirroring 2023.

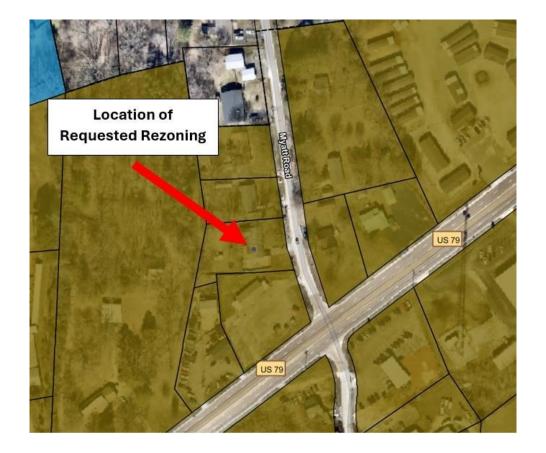
Regarding pension plans, the TCRS pension plan's liability peaked at \$1.36 million in 2015 and has fluctuated due to stock market trends, with a current pension asset of \$905,000. The alternate pension plan liability is \$47,000, consistent with previous years. Matt noted that this was the first "normal" financial year since 2019, with previous volatility from COVID-era funding now settled. He concluded by confirming there were no audit issues or findings this year, with the only prior-year issue regarding data collection fully corrected. No management letter was needed, as no internal control concerns were identified. He thanked the finance team for their cooperation and invited any questions.

**Discussion:** In reference to our net income being down, Commissioner Etheridge asked if some of those revenues were recognized last year. Matt explained that the ARPA funds were received in 2021 and 2022, with the city holding some of the money to allocate in 2023. While there isn't a comparative grant schedule, millions of dollars were recognized as revenue in 2023, aligning with expenditures from that period. Unlike most grants, ARPA funds could be used not only for capital assets but also for operations, which significantly boosted net income during that time.

Action: None Vote: None

### NEW BUSINESS AGENDA ITEM NO. 4 Rezoning Request for property at 53 Myatt Road

Community Development Director Jessica Crouch explained that the property owner of 53 Myatt Road submitted a rezoning request as they were in the process of selling the property. The property was zoned P-B (Planned Business), and the owner requested it be rezoned as Residential. In considering this request, staff recommended rezoning the remainder of the road within the city limits. The request was eligible for approval on first reading and could be forwarded to the Planning Commission for recommendation.



#### **ORDINANCE NO. 1314**

AN ORDINANCE to Amend Title 11, Chapter 104 of the Paris Municipal Code

SECTION 1. BE IT ORDAINED by the Board of Commissioners of the City of Paris, Tennessee, that the

Paris Municipal Code be amended as follows:

Title 11, Chapter 104, Section B, identifying, "The Official Zoning Map of Paris, Tennessee," as adopted, is amended as follows:

That the following described property at 53 Myatt Road be rezoned from P-B to R-2-L as shown on the attached Exhibit "A":

Known as the following:

Tax Assessor's Map 094A, Group A, Parcel 007.00

Tax Assessor's Map 094A, Group A, Parcel 006.00

Tax Assessor's Map 094A, Group A, Parcel 005.00

Tax Assessor's Map 094, Parcel 008.00

(See Attached Exhibit "A")

SECTION 2. All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 3. This ordinance shall take effect on and after passage of final adoption.

Passed and adopted February 6, 2025.	
Passed and adopted	
	Mayor

Finance Director

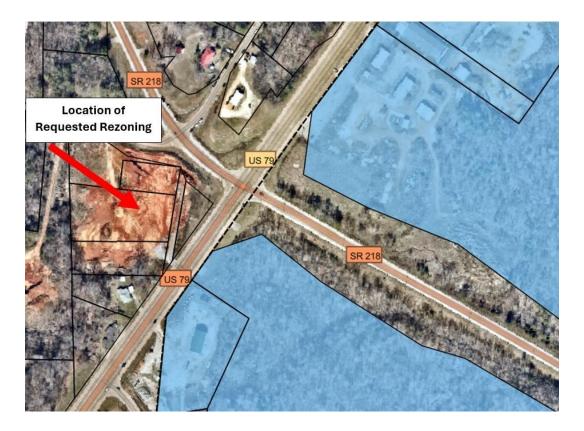
**Discussion:** None

**Action:** Commissioner Tharpe made a motion, seconded by Commissioner Jones to approve the rezoning request on first reading and referred to the Planning Commission for recommendation.

**Vote:** Unanimous

## NEW BUSINESS AGENDA ITEM NO. 5 Rezoning Request for property at the corner of HWY 218/HWY 79 S

Community Development Director Jessica Crouch explained that Circle K submitted a rezoning request for property that was recently annexed into the city limits at the corner of HWY 218 and HWY 79 S. Per City of Paris Municipal Code 11-103.B., any annexed area was initially classified in the most restrictive residential district until a zoning designation was adopted by the City Commission. The Planning Commission was required to recommend appropriate zoning within three months of the matter being referred. Circle K requested the property be rezoned from R-1 (Residential) to B-1 (Highway Commercial). The request was eligible for adoption on first reading and could be sent to the Planning Commission for recommendation.



#### **ORDINANCE NO. 1315**

AN ORDINANCE to Amend Title 11, Chapter 104 of the Paris Municipal Code

SECTION 1. BE IT ORDAINED by the Board of Commissioners of the City of Paris, Tennessee, that the

Paris Municipal Code be amended as follows:

Title 11, Chapter 104, Section B, identifying, "The Official Zoning Map of Paris, Tennessee," as adopted, is amended as follows:

That the following described property at the corner of HWY 218/HWY 79 S be rezoned from R-1 to B-1 as shown on the attached Exhibit "A":

Known as the following:

Tax Assessor's Map 117, Parcel 044.00

Tax Assessor's Map 117, Parcel 045.00

Tax Assessor's Map 117, Parcel 046.00

Tax Assessor's Map 117, Parcel 047.00

Tax Assessor's Map 117, Parcel 049.00

Tax Assessor's Map 117, Parcel 049.01

(See Attached Exhibit "A")

SECTION 2. All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 3. This ordinance shall take effect on and after passage of final adoption.

Passed and adopted February 6, 2025.		
Passed and adopted		
	Mayor	
	Finance Director	

**Discussion:** None

**Action:** Commissioner Etheridge made a motion, seconded by Commissioner Jones to approve the rezoning request on first reading and referred to the Planning Commission for recommendation.

**Vote:** Unanimous

## NEW BUSINESS AGENDA ITEM NO. 6 Ordinance to Amend Title 1 Chapter 6 Public Records regarding Requesting Access to Public Records in the Paris Municipal Code

City Manager Kim Foster explained that the following ordinance, presented for consideration, reflected changes in verbiage in the City of Paris Municipal Code as a simple housekeeping measure. The verbiage change resulted from a change in the City Recorder position.

#### **ORDINANCE NO. 1316**

AN ORDINANCE to Amend Title 1, Chapter 6 (1-603. C., 1-603. D., 1-604. A. 3. b.) of the Paris Municipal Code

SECTION 1. BE IT ORDAINED by the Board of Commissioners of the City of Paris, Tennessee, Title 1, Chapter 6 of the Paris Municipal Code shall be amended as follows:

A.	That Title 1	Chapter 6 of the	e Paris Municij	oal Code	be ameno	ded by d	deleting	Title 1	Chapter 6
	(1-603. C.								
and	1-603. D) in	its entirety. (Ord	d. #1316,		).				

C. Requests for inspection may be made orally or in writing on Form A at The City of Paris,

City Hall, 100 N. Caldwell Street, Paris, TN 38242 or by phone at 731-641-1402 or by email to <a href="mailto:tpillow@cityofparistn.gov">tpillow@cityofparistn.gov</a>.

- D. Requests for copies, or requests for inspection and copies, shall be made in writing on Form A in person or by mail at the City of Paris City Hall, 100 N. Caldwell Street, Paris, TN 38242. or by email to <a href="mailto:tpillow@cityofparistn.gov">tpillow@cityofparistn.gov</a>.
- B. That Title 1 Chapter 6 of the Paris Municipal Code be amended by enacting Title 1 Chapter 6 (1603. C. and 1-603. D) as follows:
- C. Requests for inspection may be made orally or in writing on Form A at The City of Paris, City Hall, 100 N. Caldwell Street, Paris, TN 38242 or by phone at 731-641-1402 or by email to <a href="mailto:thopper@cityofparistn.gov">thopper@cityofparistn.gov</a>.
- D. Requests for copies, or requests for inspection and copies, shall be made in writing on Form A in person or by mail at the City of Paris City Hall, 100 N. Caldwell Street, Paris, TN 38242. or by email to <a href="mailto:thopper@cityofparistn.gov">thopper@cityofparistn.gov</a>.

by email to thopper(a)cityotparistn.gov.
(Ord. #1316,).
<ul><li>C. That Title 1 Chapter 6 of the Paris Municipal Code be amended by deleting Title 1 Chapter 6 (1604.</li><li>A. 3. b.) in its entirety. (Ord. #1316,).</li></ul>
b. Contact information: The City of Paris, City Hall, 100 N. Caldwell Street, Paris, TN 38242 or by phone at 731/642-1402 or by email to <a href="mailto:tpillow@cityofparistn.gov">tpillow@cityofparistn.gov</a> .
D. That Title 1 Chapter 6 of the Paris Municipal Code be amended by enacting Title 1 Chapter 6 (1604. A. 3. b.) as follows:
b. Contact information: The City of Paris, City Hall, 100 N. Caldwell Street, Paris, TN 38242 or by phone at 731-642-1402 or by email to <a href="mailto:thopper@cityofparistn.gov">thopper@cityofparistn.gov</a> .
(Ord. #1316,).
SECTION 2. All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.
SECTION 3. This ordinance shall take effect on and after passage of final adoption.
Passed and adopted February 6, 2025.
Passed and adopted
Mayor

**Discussion:** None

Action: Commissioner Roberts made a motion, seconded by Commissioner Etheridge to

amend Title 1 Chapter 6 in the Paris Municipal Code.

Vote: Unanimous

#### **NEW BUSINESS AGENDA ITEM NO. 7**

### Resolution to Amend the COP Personnel Rules and Regulations by Amending Work Rules regarding Use of Time, Materials, or Equipment

City Manager Kim Foster explained that the following resolution, presented for consideration, reflected changes in verbiage in the City of Paris Personnel Rules and Regulations as a simple housekeeping measure. The verbiage change resulted from an update regarding the use of time, materials, and equipment.

#### **RESOLUTION NO. 1717**

WHEREAS, The City of Paris, Tennessee, has adopted Personnel Rules and Regulations

Finance Director

effective April

6, 1994; and,

<u>WHEREAS</u>, <u>Paris</u> Municipal Code 1-503 specifies that amendments to said Personnel Rules and Regulations shall be adopted by the Board of Commissioners of the City of Paris, Tennessee by Resolution before they shall have full force and effect; and,

<u>WHEREAS</u>, The City Manager of the City of Paris, Tennessee has recommended to the Board of Commissioners of the City of Paris, Tennessee that said Personnel Rules and Regulations be amended as follows:

A. By amending V. WORK RULES. B. OTHER RULES, #5 Use of Time, Materials, or Equipment, to say:
<ul> <li>a. <u>Use of Time, Materials, or Equipment</u> – Except in minor incidental instances, Department Heads and employees shall not use their time while on duty or any material and/or equipment belonging to the City for personnel use. (Res. # <u>1717</u>,).</li> </ul>
NOW THEREFORE BE IT RESOLVED that the Board of Commissioners of the City of Paris, Tennessee go on
record as approving the amendments to the Personnel Rules and Regulations as follows:
A. By amending V. WORK RULES. B. OTHER RULES, #5 Use of Time, Materials, or Equipment, to say:
A. by aniending V. WORK RULES. B. OTHER RULES, #3 Use of Time, Materials, of Equipment, to say.
<ul> <li>a. <u>Use of Time, Materials, or Equipment</u> – Except in minor incidental instances, Department Heads and employees shall not use their time while on duty, or any material and/or equipment belonging to the City for personnel use. (Res. # <u>1717</u>,).</li> </ul>
This Resolution shall become a part of and be spread upon the minutes of this meeting of the Board
of Commissioners of the City of Paris, Tennessee.
Unanimously adopted, this the 6 <sup>th</sup> day of February 2025.

Mayor

Finance Director

**Discussion:** None

**Action:** Commissioner Jones made a motion, seconded by Commissioner Tharpe to Amend the COP Personnel Rules and Regulations handbook regarding Use of Time, Materials, and Equipment.

Vote: Unanimous

### NEW BUSINESS AGENDA ITEM NO. 8 Resolution (No. 1718) to Incur Indebtedness with USDA for a New Fire Station

City Manager Kim Foster explains that in July of 2024 we passed a resolution which made known the City's desire to apply for federal assistance, administered by USDA RD, to build a new Fire Station #1. The following resolution was presented for the commissioners' consideration, to make known our desire to move forward with our application and incur indebtedness by issuing bonds.

RESOLUTION 1718

FORM APPROVED OMB No. 0575-0015 Exp. Date: 12/31/2024

(Rev. 12-97)

Form RD 1942-47

A RESOLUTION OF THE	Board of Commissioners	
OF THE	City of Paris	
	NG FOR THE INCURRÉNCE OF INDEBTEDNESS FOR THE F ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING,	
	New Fire Station	
FACILITY TO SERVE AN AREA	LAWFULLY WITHIN ITS JURISDICTION TO SERVE.	
WHEREAS, it is necessary for the	City of Paris	
<del></del>	(Public Body)	
(herein after called Association) to raise	a portion of the cost of such undertaking by issuance of its bonds	in the principal amount of
	Ten Million Dollars and zero cents	
pursuant to the provisions of	Laws of the State of Tennessee	; and

WHEREAS, the Association intends to obtain assistance from the Rural Housing Service, Rural Business - Cooperative Service, Rural Utilities Service, or their successor Agencies with the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE in consideration of the premises the Association hereby resolves:

- To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
- To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the
  Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or
  private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said
  Consolidated Farm and Rural Development Act (7 U. S. C. 1983 (c)).
- To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$ 10,000.
- To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such
  indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal permissible source.
- 5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
- Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so without the prior written consent of the Government.
- 7. Not to defease the bonds, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
- 8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
- To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
- 10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by the Government. No free service or use of the facility will be permitted.

- 11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
- To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
- 13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
- 14. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due on the bond if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:
  - (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
  - (b) Repairing or replacing short-lived assets.
  - (c) Making extensions or improvements to the facility.

Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.

- 15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain the Government's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
- 16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.

17.	To accept a grant in an amount	not to exceed \$	0			-
	under the terms offered by the G	Government; that t	he <u>Mayor</u>			
	and City Manager or appropriate in the execution to operate the facility under the	of all written instr	uments as may	be required in rega	empowered to take al rd to or as evidence of	
	The provisions hereof and the p otherwise specifically provided are held or insured by the Gove more specific detail in the bond or ordinance should be found to controlling between the Associa	by the terms of summent or assigne resolution or ordi	ich instrument, e. The provisio nance; to the e vith the provision	shall be binding upons of sections 6 throatent that the provisons hereof, these pro	on the Association as l ough 17 hereof may be sions contained in such	ong as the bonds e provided for in a bond resolution
	The vote was:	Yeas		Nays	Absent	
IN WITNI	ESS WHEREOF, the	Board of	Commissione	ers		of the
		Cit	y of Paris	has duly	adopted this resolutio	n and caused it
to be exect	uted by the officers below in dup	licate on this	6th	day of	February	
(SEAL)			M			
Attest:			By Title	Kathy Ray Mayor		
			<del></del>			

**Discussion:** None

Action: Commissioner Roberts made a motion, seconded by Commissioner Jones to incur

indebtedness with USDA for a new fire station.

Vote: Unanimous

## NEW BUSINESS AGENDA ITEM NO. 9 Resolution (No. 1719) to Amend COP Personnel Rules and Regulations by adding Cybersecurity

City Manager Kim Foster explained that the following resolution, presented for consideration, introduced an additional section to the City of Paris Personnel Rules and Regulations. This new section outlined protocols to protect sensitive information, mitigate cyber risks, and maintain the stability of the city's technological infrastructure. By adopting this policy, the city not only

enhanced its overall cybersecurity but also qualified for additional cybersecurity insurance through PEP, providing the city's assets with an extra layer of protection and security.

#### **RESOLUTION NO. 1719**

<u>WHEREAS</u>, The City of Paris, Tennessee, has adopted Personnel Rules and Regulations effective April 6, 1994; and,

<u>WHEREAS</u>, Paris Municipal Code 1-503 specifies that amendments to said Personnel Rules and Regulations shall be adopted by the City Commission by Resolution before they shall have full force and effect; and,

<u>WHEREAS</u>, The City Manager of the City of Paris, Tennessee has recommended to the City Commission that **IX Cybersecurity Policy** be enacted as follows:

#### IX. Cybersecurity Policy.

#### **Purpose**

The purpose of the cybersecurity policy is to ensure that all digital assets and sensitive information within the organization are protected against unauthorized access and cyber threats. Employees shall adhere to established security protocols and practices to maintain the integrity and confidentiality of organizational data.

<u>WHEREAS</u>, The City Manager of the City of Paris, Tennessee has recommended to the Board of Commissioners of the City of Paris, Tennessee that said Personnel Rules and Regulations be amended by enacting **IX.** Cybersecurity to incorporate by reference **A.** Written Information Security Policy for all City employees as follows:

#### Written Information Security Policy (WISP)

#### Statement of Policy

The objective of the City of Paris in the development and implementation of this comprehensive written information security policy ("WISP"), is to create effective administrative, technical and physical safeguards for the protection of personally identifiable information (PII) of customers, clients and employees as well as sensitive City of Paris information that could be harmful if unauthorized access were to occur. The WISP sets forth a procedure for evaluating and addressing electronic and physical methods of accessing, collecting, storing, using, transmitting, and protecting PII and sensitive company information.

The use of the term **employees** will include all of The City of Paris' managers, employees, all independent contractors, part-time employees, elected officials, and appointed officials.

#### Purpose of Policy

The purpose of the WISP is to better:

- 1) Ensure the security and confidentiality of **personally identifiable information (PII)** of customers, employees or vendors as well as **sensitive City of Paris data** which includes emails, confidential City of Paris information, employee information and the like.
- 2) Protect against any reasonably anticipated threats or hazards to the security or integrity of such information; and
- 3) Protect against unauthorized access to or use of such information in a manner that creates a substantial risk of identity theft, fraud or harm to The City of Paris.

#### Scope of Policy

In formulating and implementing the WISP, the City of Paris has addressed and incorporated the following protocols:

- 1) Identified reasonably foreseeable internal and external risks to the security, confidentiality, and/or integrity of any electronic, paper or other records containing PII and sensitive City of Paris data.
- 2) Assessed the likelihood and potential damage of these threats, taking into consideration the sensitivity of the PII and sensitive City of Paris data.
- 3) Evaluated the sufficiency of existing policies, procedures, customer information systems, and other safeguards in place to control risk.

- 4) Designed and implemented a WISP that puts safeguards in place to minimize identified risks.
- 5) Implemented regular monitoring of the effectiveness of those safeguards.

#### Security Safeguards

The following safeguards are effective immediately. The goal of implementing these safeguards is to protect against risks to the security, confidentiality, and/or integrity of any electronic, paper or other records containing PII or sensitive City of Paris data.

#### Administrative Safeguards

- Security Officer The City of Paris has designated the City Manager or His/Her Designee to implement, supervise, and maintain the WISP. The City Manager or His/Her Designee will be responsible for the following:
  - (a) Implementation of the WISP including all provisions outlined in Security Safeguards.
  - (b) Training of all employees that may have access to PII and sensitive City of Paris data. Employees should receive annual training, and new employees should be trained as part of the new employee hire process.
  - (c) Regular monitoring of the WISP's safeguards and ensuring that employees are complying with the appropriate safeguards.
  - (d) Evaluating the ability of any Third-Party Service Providers to implement and maintain appropriate security measures for the PII and sensitive City of Paris data to which The City of Paris has permitted access, and requiring Third Party Service Providers, by contract, to implement and maintain appropriate security measures.
  - (e) Reviewing all security measures at least annually, or whenever there is a material change in The City of Paris's business practices that may put PII and sensitive City of Paris data at risk.
  - (f) Investigating, reviewing and responding to all security incidents or suspected security incidents.
- 2) Security Management All security measures will be reviewed at least annually, or whenever there is a material change in the City of Paris' business practices that may put PII or sensitive City of Paris data at risk. This should include performing a security risk assessment, documenting the results and implementing the recommendations of the security risk assessment to better protect PII and sensitive City of Paris data. The Security Officer or his/her designee will be responsible for this review and will communicate the results of that review and any recommendations for improved security arising out of that review.
- 3) Minimal Data Collection The City of Paris will only collect PII of customers, employees or vendors that is necessary to accomplish legitimate business transactions or to comply with any and all federal, state or local regulations.
- 4) Information Access Access to records containing PII and/or sensitive City of Paris data shall be limited to those persons whose job functions requires a legitimate need to access the records. Access to the records will only be for a legitimate job-related purpose. In addition, pre-employment screening should take place to protect PII and sensitive City of Paris data.
- 5) Employee Termination Terminated employees must return all records containing PII and sensitive City of Paris data, in any form, that may be in the former employee's possession (including all information stored on laptops or other portable devices or media, and in files, records, work papers, etc.). A terminated employee's physical and electronic access to PII and sensitive City of Paris data must be immediately blocked. A terminated employee shall be required to surrender all keys, IDs or access codes or badges, business cards, and the like, that permit access to The City of Paris' premises or information. A terminated employee's remote electronic access to PII and sensitive City of Paris data must be disabled; his/her voicemail access, e-mail access, internet access, and passwords must be invalidated.
- 6) Security Training All employees, which includes all city officials, managers, employees, all independent contractors and part-time employees that may have access to PII and sensitive City of Paris data, will receive security training. Employees should receive at least annual training, and new employees should be trained as part of the new employee hire process. Employees should be required to show their knowledge of the information and be required to pass an exam that demonstrates their knowledge. Documentation on employee training should be kept and reviewed.
- 7) WISP Distribution A copy of the WISP is to be distributed to each current employee and to each new employee on the beginning date of their employment. It shall be the employee's responsibility to acknowledge in writing or electronically that he/she has received a copy of the WISP and will abide by its provisions.

- 8) Contingency Planning All systems that store PII and/or sensitive City of Paris data should have the data backed up on, at least, a nightly basis. Data should be encrypted and stored offsite. Disaster Recovery mechanisms and documented procedures should be in place to restore access to PII and sensitive City of Paris data as well as any operational systems that The City of Paris relies on. A system criticality assessment should be performed that defines how critical each of the City of Paris' systems are. Systems that are critical to operations should be restored before non-critical systems. On a periodic basic, data backups, data restoration and Disaster Recovery procedures should be tested and validated.
- 9) Security Incident Procedures Employees are required to report suspicious or unauthorized use of PII and/or sensitive City of Paris data to a supervisor or the Security Officer. Whenever there is an incident that requires notification pursuant to any federal or state regulations, the Security Officer or his/her designee will conduct a mandatory post-incident review of the events and actions taken in order to determine how to alter security practices to better safeguard PII and sensitive data.
- 10) **Emergency Operations** Procedures should be in place to define how the City of Paris will respond to emergencies. Procedures should include employee contact information, critical vendor contact information, important vendor account information as well as any emergency operating procedures.
- 11) **Data Sensitivity Classification** All data that the City of Paris stores or accesses should be categorized in terms of the sensitive nature of the information. For example, PII and sensitive City of Paris data might have a very high sensitivity and should be highly protected. Whereas publicly accessible information might have a low sensitivity and requires minimal protection.
- 12) Third Party Service Providers Any service provider or individual (Third Party Service) that receives, stores, maintains, processes, or otherwise is permitted access to any file containing PII and/or sensitive company data shall be required to protect PII and sensitive City of Paris data. The Third-Party Service Providers must sign service agreements that contractually hold them responsible for protecting the City of Paris' data. Examples include third parties who provide off-site backup of electronic data; website hosting companies; credit card processing companies; paper record copying or storage providers; IT / Technology Support vendors; contractors or vendors working with customers and having authorized access to PII and/or sensitive City of Paris data.
- 13) **Sanctions** Disciplinary actions will be taken for violations of security provisions of the WISP (The nature of the disciplinary measures may depend on a number of factors including the nature of the violation and the nature of the PII and/or sensitive City of Paris data affected by the violation).
- 14) **Bring Your Own Device (BYOD) Policy** The City of Paris may allow employees to utilize personally owned devices such as laptops, smartphones and tablets. If allowed, proper safeguards must be implemented to protect PII and sensitive City of Paris data that may be accessed or stored on these devices. Employees must understand what the requirements are for using personally owned devices and what safeguards are required.

#### Physical Safeguards

- 15) Facility Access Controls The City of Paris will implement physical safeguards to protect PII and sensitive City of Paris data. There will be physical security on facilities / office buildings to prevent unauthorized access. All systems that access or store PII and/or sensitive City of Paris data will be physically locked. Employees will be required to maintain a "clean desk" and ensure that PII and/or sensitive City of Paris data is properly secured when they are not at their desk. The Security Officer or his/her designee will maintain a list of passcodes, keys, etc. and which employees have access to the facilities and PII and/or sensitive data. Visitors will be restricted from areas that contain PII and/or sensitive City of Paris data.
- 16) **Network Security** The City of Paris will implement security safeguards to protect PII and sensitive City of Paris data. Safeguards include isolating systems that access or store PII and/or sensitive City of Paris data, the use of encryption on all portable devices, physical protection on portable devices, ensuring that all systems run up-to-date anti-malware, implementing network firewalls, performing periodic vulnerability scans, capturing and retaining network log files as well as ensuring that servers and critical network equipment are stored in an environmentally safe location.

#### Technical Safeguards

- 17) Access Control Access to PII and sensitive City of Paris data shall be restricted to approved active users and active user accounts only. Employees will be assigned unique user accounts and passwords. Systems containing PII and sensitive City of Paris data should have automatic sign off procedure to prevent unauthorized access.
- 18) **Computer** Use All employees will be given a Technology Use Policy that defines acceptable and unacceptable use of the City of Paris' computing resources.

- 19) **Data Disposal** Written and electronic records containing PII and sensitive City of Paris data shall be securely destroyed or deleted at the earliest opportunity consistent with business needs, legal, and state retention requirements.
- 20) **System Activity Review** All systems that store or access PII and sensitive City of Paris data should utilize a mechanism to log and store system activity. Periodic system activity reviews should occur and identify unauthorized access to PII and sensitive City of Paris data. Any unauthorized access should be reported to the Security Officer or his/her designee.
- 21) Encryption To the extent technically feasible all portable devices that contain PII and sensitive City of Paris data should be encrypted to protect the contents. In addition, encryption should be used when sending any PII and sensitive company data across public networks and wireless networks. Public networks include email and Internet access.

<u>WHEREAS</u>, The City Manager of the City of Paris, Tennessee has recommended to the Board of Commissioners of the City of Paris, Tennessee that said Personnel Rules and Regulations be amended by enacting **IX.** Cybersecurity to incorporate by reference **B. Security Incident Response Policy** for all City employees as follows:

#### Security Incident Response Policy

#### Purpose of Policy

The purpose of the policy is to develop the response to and reporting of security incidents, including the identification of and response to suspected or known security incidents, the mitigation of the harmful effects of known security incidents, to the extent possible, and the documentation of security incidents and their outcomes.

#### **Definitions**

#### Breach

Breach means the acquisition, access, use, or disclosure of personally identifiable information (PII) or sensitive City of Paris data such as email, employee information, confidential information, etc. which compromises the security or privacy of the PII or sensitive City of Paris data.

#### Unsecured PII

Unsecured PII means PII that is not rendered unusable, unreadable, or indecipherable to unauthorized individuals through the use of a technology or methodology such as encryption. The definition of unsecured PII varies between different federal and state regulations.

#### Reporting and Response

- 1. The City of Paris will ensure that all incidents, threats, or violations that affect or may affect the privacy, confidentiality, integrity, or availability of PII and sensitive City of Paris data will be reported and responded.
- 2. The City of Paris shall have a Security Incident Response Team (SIRT) charged with the responsibility of identifying, evaluating and responding to security incidents. The Privacy Security Officer shall oversee the activities of the SIRT.
  - a. The SIRT will be responsible for investigating all known or suspected privacy and security incidents.
  - b. The SIRT will document a procedure for all employees to follow to report privacy and security incidents.
  - c. The City of Paris will ensure that all employees receive training on how to identify and report security incidents.
  - d. All employees must follow the documented procedure to report security incidents. In addition, employees must report all known or suspected security incidents.
  - e. All employees must assist the SIRT with any security incident investigations.

#### **Breach Determination**

The Security Incident Response Team (SIRT) will investigate all reported and suspected security breaches. The SIRT will refer to federal or state regulations to help with breach determination. Breach determination

varies between federal regulations such as HIPAA and GLBA. In addition, breach determination varies significantly between state regulations (for example, what may be considered a breach in one state may not be a breach in another state).

#### **Breach Notification**

If the SIRT determines that a breach of unsecured PII has occurred, breach notification of affected individuals may be required. The SIRT will refer to federal or state regulations to help with breach notification requirements. Breach notification requirements vary between federal regulations such as HIPAA and GLBA. In addition, breach notification requirements vary significantly between state regulations (for example, one state may have breach notification requirements that vary significantly from breach notification requirements in another state).

Key elements of a breach notification include:

#### 1) Date of discovery

Usually, a breach will be treated as discovered as of the first day the breach is known or by exercising reasonable diligence would have been known.

#### 2) Timeliness of notification

The City of Paris will provide the required notifications without unreasonable delay after the discovery of a breach. The amount of time The City of Paris must notify affected individuals varies between federal and state regulations.

#### 3) Content of notification

If required, a notification will be provided to each individual affected by the breach discovered. The notification should include the following:

- A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known;
- A description of the types of unsecured PII that were involved in the breach (such as whether full name, social security number, date of birth, home address, account number or other types of information were involved);
- Any steps individuals should take to protect themselves from potential harm resulting from the breach;
- A brief description of what the City of Paris is doing to investigate the breach, to mitigate harm to individuals, and to protect against any further breaches; and
- Contact procedures for individuals to ask questions or learn additional information, which should include a telephone number, an e-mail address, Website, or postal address.
- The notification should be written in plain language.

#### 4) Methods of notification

The following methods are usually used to notify individuals affected by the breach discovered: a.

#### Written notice

Written notification by first-class mail to the individual at the last known address of the individual or, via e-mail if the individual agrees to e-mail notice. The notification may be provided in one or more mailings as information is available.

If the individual is deceased, notifications are usually sent to next of kin or personal representative

#### b. Substitute notice

If contact information is out of date and written notification cannot be made, a substitute notification may be used.

• A substitute notification is usually in the form of either a conspicuous posting on the City of Paris' home page of its Website, or conspicuous notice in major print or broadcast media in geographic areas where the individuals affected by the breach likely reside. The notice should include a contact phone number.

#### 5) Notification to media

In addition to notifying individuals of a known breach, a notification to the media may be required

#### 6) Notification to federal or state regulatory agencies

The City of Paris may need to report breaches of unsecured information to federal or state regulatory agencies.

#### 7) Notification by Third Party Service Providers

Third Party Service Provider responsible for a breach of The City of Paris' PII or sensitive City of Paris data should be required to notify the City of Paris within a pre-determined reasonable timeframe. The timeframe will be defined in a Service Provider Agreement.

a. Third Party Service Provider breaches may result in the City of Paris having to notify the company's affected individuals (such as customers, employees, etc.).

<u>WHEREAS</u>, The City Manager of the City of Paris, Tennessee has recommended to the Board of Commissioners of the City of Paris, Tennessee that said Personnel Rules and Regulations be amended by enacting **IX. Cybersecurity** to incorporate by reference **C. Network Security Policy** for all City employees as follows:

#### Network Security Policy

#### Purpose of Policy

The purpose of the policy is to describe the physical safeguards applicable for each server, desktop computer system, and wireless computer system used to access, transmit, receive and store PII and sensitive City of Paris data to ensure that appropriate security is maintained and that access is restricted to authorized employees.

#### **Network Security**

The City of Paris will take reasonable and appropriate steps to prevent unauthorized access to workstations, servers and portable devices including all but not limited to; laptops, computers, smartphones, CD-ROMs, DVDs, USB Drives, etc. that store or access PII and sensitive City of Paris data.

- 1) Workstations and laptops that are in common areas that store or access PII and/or sensitive City of Paris data should be physically placed with the monitor so that it prohibits unauthorized people from viewing confidential information such as logins, passwords, PII and/or sensitive City of Paris data.
- 2) Workstations and laptops that are in common areas that store or access PII and sensitive City of Paris data should utilize privacy screens to prevent unauthorized access to the data.
- 3) Workstations and laptops that are in common areas that store or access PII and sensitive City of Paris data should be secured by restraints such as locking cables.
- 4) To the extent technically feasible all portable devices that contain PII and/or sensitive City of Paris data should be encrypted to protect the contents. In addition, encryption should be used when sending any PII and/or sensitive City of Paris data across public networks and wireless networks. Public networks include email and Internet access.
- 5) Portable devices and media should be concealed from view when offsite to prevent theft.
- 6) All network servers, application servers, routers, database systems, device management system hardware, and other servers should be located in a room or an area that can be physically secured by lock and key or any other appropriate security mechanism to limit access to only authorized personnel.
- 7) All workstations, servers and portable devices will run anti-virus / anti-malware software that protect against malicious software. The software must be current and up to date with virus / malware definitions. Employees must use and keep active current versions of approved anti-virus / anti-malware software scanning tools to detect and remove malicious software from workstations and files. Employees must not disable these tools unless specifically directed by computer support personnel to do so in order to resolve a particular problem.
- 8) A network firewall should be in place to protect PII and/or sensitive City of Paris data. Firewall protection should be up to date. Firewalls should be monitored, and alerts should be triggered in the event of unauthorized intrusion or suspected intrusion.
- 9) Log files from network equipment should be stored and retained. Log files from network equipment include; firewalls, network servers, desktops, laptops and other devices. The required length of retention of log files may vary depending on federal, state or industry regulations.
- 10) All workstations, servers and portable devices, where feasible, must implement a security patch and update procedure to ensure that all relevant security patches and updates are promptly applied based on the severity of the vulnerability corrected.
- 11) Periodic network vulnerability scans should be performed on all internal as well as external (Internetfacing servers, websites, etc.) systems. Results of the vulnerability scans should be analyzed and known vulnerabilities should be remediated and/or patched. After all vulnerabilities are remediated, an external network penetration test should be performed to ensure that unauthorized external access into the network is prevented.
- 12) Reasonable and appropriate steps will be taken to prevent unauthorized access to workstations, servers and portable devices from misuse and physical damage, vandalism, power surges, electrostatic discharge, magnetic fields, water, overheating and other physical threats.
  - a. Workstations must not be located where they will be directly affected by extremes of temperature or electromagnetic interference. Precautions should also be taken to ensure that workstations cannot be affected by problems caused by utilities, such as water, sewer and/or steam lines that pass through the facility.
  - b. All facilities that store systems that contain PII and/or sensitive City of Paris data should have appropriate smoke and/or fire detection devices, sprinklers or other approved fire suppression systems, and working fire extinguishers in easily accessible locations throughout the facility.

- c. All servers that contain PII and/or sensitive City of Paris data, should be connected to an Uninterrupted Power Supply (UPS) to prevent server crashes during power outages or spikes. Servers should be configured to shut down in a controlled manner if the power outage is for an extended period of time.
- d. All systems should be connected to surge protectors, where feasible, to protect against power spikes and surges.
- 13) A user identification and password authentication mechanism shall be implemented to control user access to the system.
- 14) Employees who suspect any inappropriate or unauthorized use of workstations should immediately report such an incident or misuse to the Security Officer or his/her designee.

<u>WHEREAS</u>, The City Manager of the City of Paris, Tennessee has recommended to the Board of Commissioners of the City of Paris, Tennessee that said Personnel Rules and Regulations be amended by enacting **IX. Cybersecurity** to incorporate by reference **D. Access Control Policy** for all City employees as follows:

#### Access Control Policy

#### Purpose of Policy

The purpose of the policy is to ensure that systems containing PII and/or sensitive City of Paris data are accessed only by those persons or software programs that have been granted appropriate access rights.

#### Unique User Identification

- 1) Employees will be assigned a unique user identification (i.e. user ID) in order to access any system or application that transmits, receives or stores PII and/or sensitive City of Paris data.
- 2) Each employee must ensure that their assigned user identification is appropriately protected and only used for legitimate access to systems or applications.
- 3) If an employee believes their user identification has been comprised, they must report the security incident.
- 4) Employees should be aware of the following password procedures to create and use strong passwords to protect PII and sensitive City of Paris data:
  - a. There should be a minimum of eight characters in length.
  - b. Should incorporate both upper and lower-case letters (e.g. a-z and A-Z)
  - c. Should incorporate digits and punctuation characters as well as letters e.g., 0-9, (! @ # \$ % ^ & \* ( ) \_ + = { } [ ]:; " ' | \ / ? < > , . ~ ')
  - d. Should not be words found in a Dictionary.
  - e. Should not include easily guessed information such as personal information, names, pets, birth dates, etc.
- 5) Employees should be aware of the following procedures to protect passwords:
  - a. Passwords should not be written down.
  - b. Passwords should not be shared with other employees.
  - c. If an employee suspects that their password has been compromised, they should report the incident immediately.
- 6) Passwords should be changed at least every 90 days.
- After several failed password attempts, the employee's account should be disabled (e.g. 3 or 5 failed attempts).

#### Automatic Logoff

- 1) Systems that access or store PII and/or sensitive City of Paris data should implement an automatic logoff after a determined period of inactivity (i.e. 10 minutes of inactivity). Employees would need to log in again to regain access and continue the session.
- 2) When leaving a server, workstation, or other computer system unattended, employees must lock or activate the system's automatic sign-off mechanism (e.g. CTRL, ALT, DELETE and Lock Computer) or logout of all applications and database systems containing or accessing PII and/or sensitive City of Paris data.

#### Encryption and Decryption

- 22) To the extent technically feasible all portable devices that contain PII and/or sensitive City of Paris data should be encrypted to protect the contents. In addition, encryption should be used when sending any PII or sensitive City of Paris data across public networks and wireless networks. Public networks include email and Internet access.
- 23) Employees should be trained on the use of encryption to protect PII and sensitive City of Paris data.
- 24) All backup tapes and media that contain PII and/or sensitive City of Paris data should utilize encryption to protect the data.
- 25) Secure encrypted remote access procedures should be implemented to protect systems that access or store PII and/or sensitive City of Paris data.
  - a. Authentication and encryption mechanisms should be required for all remote access sessions to networks containing PII and/or sensitive City of Paris data. Examples of such mechanisms include VPN clients, authenticated SSL web sessions, and encrypted Citrix/RDP client access.
  - b. Two-factor authentication (i.e. SMS pin notification) should be implemented where technically feasible.
- 26) All wireless access to networks should utilize encryption mechanisms.
  - a. Employees should not utilize open public Wi-Fi networks.

<u>WHEREAS</u>, The City Manager of the City of Paris, Tennessee has recommended to the Board of Commissioners of the City of Paris, Tennessee that said Personnel Rules and Regulations be amended by enacting **IX. Cybersecurity** to incorporate by reference **E. Equipment Disposal Policy** for all City employees as follows:

#### **Equipment Disposal Policy**

#### Purpose of Policy

All media containing PII and sensitive City of Paris data will be disposed of in a manner that destroys the data and does not allow unauthorized access to the data. **Procedures for computer/hardware disposal** 

- 1) The Security Officer or His/her designee will notify the Information Technology (IT) department/company/individual of equipment that needs to be disposed of.
- 2) The Security Officer or His/her designee will determine data sensitivity of data to be disposed of.
- 3) IT will assess the condition of the equipment, and:
  - a. IT will track the disposal of the device (type of hardware, serial number, etc).
  - b. IT will run approved wiping software on all devices to make sure all PII and sensitive City of Paris data are removed from the device.
    - i. This may include physical destruction.
  - c. IT will verify the hardware's data has been removed.
  - d. IT will dispose of the hardware.
- 4) The Security Officer or his/her designee / IT will document the destruction of the asset and keep a record.
- 5) If taken to outside facility The media shall be taken to an approved, certified facility for erasure or destruction. A letter of certification regarding date and time of erasure/destruction shall be obtained.

#### Data Classification Table:

- 1) **Low (Unclassified)** No requirement to erase data but in the interest of prudence normally erase the data using any means such as reformatting or degaussing.
  - Basic operating system, personal files, etc.
- 2) **Medium (Sensitive but not Confidential)** Erase the data using any means such as reformatting or degaussing.
  - This would be for business-related information which is not considered sensitive City of Paris data.
- 3) **High (Confidential)** The data must be erased using approved technology to make sure it is not readable using special technology techniques.

This would be for PII and sensitive City of Paris data.

Examples of hardware devices include but not limited to:

- Workstation
- Laptop
- Tablet (iPad/Android)
- Smartphones
- Server hard drives
- Memory stick (USB drives)
- CD ROM disk / DVD ROM
- Storage / Backup tape(s)
- Hard drives
- Copiers / Scanners / Fax machines
- Any equipment that contains PII or sensitive City of Paris data

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners of the City of Paris, Tennessee go on record as approving the amendment by enacting **IX Cybersecurity Policy** 

This Resolution shall become a part of and be spread upon the minutes of this meeting of the Board of Commissioners of the City of Paris, Tennessee.

Unanimously adopted, this the 6<sup>th</sup> day of February, 2025.

Mayor

Finance Director

**Discussion:** Commissioner Tharpe asked if passwords must be changed consistently. City Manager Kim Foster explained that the City now uses LastPass, a secure password vault to store and update passwords.

**Action:** Commissioner Tharpe made a motion, seconded by Commissioner Roberts to amend COP Personnel Rules and Regulations by adding cybersecurity.

**Vote:** Unanimous

#### **NEW BUSINESS AGENDA ITEM NO. 10**

### Ordinance (No. 1317) to Amend Title 2 Chapter 2 regarding Beer Control Board in the Paris Municipal Code

City Attorney James Smith explained that the following Ordinance, presented for the commission's consideration, reflects changes in the City of Paris Municipal Code regarding Title 2 Chapter 2 – Beer. This comprehensive revision of the beer ordinance was designed to better align with the innovative changes occurring within the beer industry today. Additionally, this revision aims to support the needs of local businesses, facilitate future development, and comply with the standards set forth by the State of Tennessee.

#### **ORDINANCE NO. 1317**

AN ORDINANCE to Delete Title 2 Chapter 2 (2-201 through 2-217) and Enact Title 2 Chapter 2 (2-201 through 2-224) of the Paris Municipal Code.

SECTION 1. BE IT ORDAINED by the Board of Commissioners of the City of Paris, Tennessee, Title 2, Chapter 2 of the Paris Municipal Code shall be amended as follows:

E. That Title 2	Chapter 2 of the Par	is Municipal Code b	e amended by de	eleting Title 2 Cha	pter 2 in its entirety.
(Ord. #	_,).				

#### CHAPTER 2 BEER

#### SECTION

2-201. Creation, Organization, etc. of Alcoholic Beverage Control Board.

2-202. Rules and Regulations of the Board.

- 2-203. Permit Required.
- 2-204. Enforcement of Chapter.
- 2-205. Applications for Beer Permits.
- 2-206. Restrictions on Licenses.
- 2-207. Investigation and Examination of Applicants.
- 2-208. Term of Permit; Classification; Permit to be Posted.
- 2-209. Records of Permits.
- 2-210. Nightclubs.
- 2-211. Private Clubs.
- 2-212. Prohibited Acts, Acts Required.
- 2-213. Procedures for Revocation.
- 2-214. Penalties; Revocation and Suspension Period.
- 2-215. Judicial Review of the Alcoholic Beverage Control Board Action.
- 2-216. Violations Misdemeanors Penalties.
- 2-217. Temporary Permits.

#### 2-201. Creation, Organization, etc. of Alcoholic Beverage Control Board.

There is hereby created a board of five (5) members, to be known as the Alcoholic Beverage Control Board of the City of Paris, Tennessee. All five (5) members of such board shall be residents of the City of Paris. Board members shall be appointed by the Mayor for a term of three years, subject to the approval of the City Commission. Any vacancy on the Board shall be filled in like manner for the balance of the unexpired term. Such board shall be appointed, subject to the right of the Mayor with the approval of the City Commission, the above mentioned terms notwithstanding (Ord. #559, 6/4/81, Ord. #886, 12/07/95, Ord. #1225, 3/1/18). Regular meetings of the Alcoholic Beverage Control Board shall be held on the third Thursday of each month at 12:00 p.m. at the City Hall (Ord. #559, 6/4/81, Ord. #1225, 3/1/18, Ord. #1299, 10/5/2023).

The Alcoholic Beverage Control Board shall organize by the election of a chairman, vice-chairman, and secretary. Minutes shall be kept of the meetings in permanent form and a record shall be kept of the action of the board with respect to every application for a permit. The concurring vote of at least three (3) members of the board shall be necessary to the approving, revocation, or suspension of any permit. Minute books of the board shall be a public record, and shall become a part of the records of the Finance Director of the City of Paris, Tennessee (Ord. #559, 6/4/81, Ord. #809, 09/03/92, Ord. #886, 12/07/95, Ord. #1225, 3/1/18).

#### 2-202. Rules and Regulations of the Board.

The Alcoholic Beverage Control Board is authorized and empowered to adopt such reasonable rules and regulations as a majority thereof may deem necessary and proper for the operation and supervision of the business of the Alcoholic Beverage Control Board. Provided, however, that such rules and regulations must be submitted to the Board of Commissioners of the City of Paris, Tennessee, for approval before they have any force and effect (Ord. #559, 6/4/81, Ord. #886, 12/07/95, Ord. #973, 9/05/00).

#### 2-203. Permit Required.

A. It shall be unlawful for a business to: manufacture, distribute, sell, offer to sell, or give away, at wholesale or retail, any alcoholic beverage of an alcoholic content of not more than eight (8%) percent by weight, without having a permit under the provisions of this chapter, or in violation of the terms of this chapter. (Ord. #1202, 3/2/2017)

B. It shall further be unlawful to sell, offer for sale, give away, or allow to be brought on the business premises, any beer or other alcoholic beverage, as defined in 2-201 (1) of the Paris Municipal Code, when a parking fee, admission fee, cover charge, dues payment, or other type of charge is made to the public or a private group for admission to any event, function, or other entertainment, educational, or business offering, whether by a profit or a nonprofit individual, group, organization, or corporation, unless such activity is held at a location that has a permit issued pursuant to this chapter, or unless a temporary permit is issued pursuant to the provisions of 2-217 of this chapter.

C. There shall be only one permit issued for each location regulated by the terms of this chapter. The permit granted under this chapter shall be issued only to:

- 1. Where the applicant is a sole proprietorship only to the owner of the business, or to an on-premises manager.
- 2. Where the applicant is a partnership, only to a managing partner or to an on-premises manager.
- 3. Where applicant is a corporation only to the on-premises manager of the corporate location (Ord. #973, 9/05/00.)

#### 2-204. Enforcement of Chapter.

The Alcoholic Beverage Control Board and the City Manager of the City of Paris, shall have full power to enforce the provisions of this chapter and to investigate reported violations thereof, and for this purpose is authorized to utilize the full facilities of the Police Department, and such other inspection agencies of the City as may be deemed proper for the full and proper enforcement of this chapter (Ord. #559, 6/4/81).

#### 2-205. Applications for Beer Permits.

All applications shall be made on a form prescribed by the Alcoholic Beverage Control Board in conformity with the requirements of this section, and shall be filed with the Board at least ten (10) days before approval for issuance. (Ord. #559, 6/4/81, Ord. #674, 1/7/88; Ord. #1028, 02/05/2004).

All applications for permits shall be made in writing and signed by the applicant, or the duly authorized agent of a club or corporation, verified by oath or affidavit, and shall contain the following statements and information:

1. The name, age, and address of the applicant in the case of an individual; in the case of a partnership, the persons entitled to share in the profits thereof; and in the case of a corporation, the objects for which it is organized, the names and addresses of the officers and directors, and if an interest of five percent (5%) or more of the stock of such corporation is owned by one person, the name and address of such person.

Any such applicant shall also be required to list all prior residence addresses for the twenty (20) years previous to the application.

- 2. The character of the business of the applicant and in the case of a corporation, the date when its charter was issued.
- 3. The location and description of the premises or place of business that is to be operated under said permit.
- 4. A statement whether the applicant has made application for a similar or other permit on premises other than described in this application, and the disposition of such application.
- 5. A statement that the applicant has never been convicted of a felony and is not qualified to receive a license by reason of any matter to thing contained in this chapter, the laws of the State of Tennessee, or any other state, or the ordinances of the City of Paris.
- 6. Whether a previous or similar license by any state or subdivision thereof has been revoked or suspended, and the reasons therefore. For the purposes of this application, the applicant also shall waive the applicant's right to privacy for the purposes of allowing the City of Paris to verify all statements made in the application (Ord. #1028, 02/05/2004).

- 2-206. Restrictions on Licenses. No permit shall be issued to:
- 1. An applicant who has not obtained a State Sales Tax Identification Number. Provided, however, that the Alcoholic Beverage Control Board may issue a permit to an applicant who is making application for a State Sales Tax Identification Number. If a State Sales Tax Identification Number is not applied for and obtained within ten (10) days of the effective date of such permit the Alcoholic Beverage Control Board shall revoke the applicant's permit (Ord. #765, 09/05/91, Ord. #886, 12/07/95).
- 2. A person who has been convicted of any violation of the laws provided by the State of Tennessee, or any other state, prohibiting the possession, sale, manufacture, or transportation of intoxicating beverages, or any felony, within the past ten (10) years (Ord. #559, 6/4/81; Ord. #580, 3/3/83; Ord. #674, 1/7/88).
- 3. An applicant whose license under this chapter has been revoked or suspended for cause, including an applicant whose previous place of business was conducted by a manager or agent, even if the proposed manager or agent possesses sufficient qualifications to be issued a permit under this chapter. Provided, however, that the Board may, in its discretion, issue a license to such applicant for a probationary period to be determined by the Board if, in the Board's sole discretion, circumstances warrant the granting of said application (Ord. #559, 6/4/81; Ord. #653, 11/11/86; Ord. #886, 12/07/95).
- 4. An applicant, who at the time of the application for renewal of any license issued hereunder, would not be eligible for such license upon a first application (Ord. #559, 6/4/81).
- 5. A partnership, unless all the member of such partnership shall be qualified to obtain a license. A corporation, if officer, managerial director thereof, or any stockholder or stockholders owning in the aggregate of more than five (5%) percent of the stock of such corporation, would not be eligible to receive a permit hereunder for any reason (Ord. #559, 6/4/81; Ord. #674, 1/7/88).
- 6. An applicant whose place of business is conducted by manager or agent, unless said manager or agent possesses the same qualifications required of the applicant (Ord. #559, 6/4/81; Ord. #653, 11/11/86; Ord. #674, 1/7/88).
- 7. Any employee of the city, city manager, city recorder, city attorney, or city judge, and no such official or employee shall be interested in any way, either directly or indirectly, in the manufacture, sale or distribution of alcoholic beverages as defined in this chapter. Provided, however, that any member of any board, either elected or appointed, may hold office and shall be allowed to obtain a Class A permit under the qualifications provided in Section 2-208 of this chapter, if said person would be eligible to receive a permit under all other terms and conditions of any other section of this chapter (Ord. #627, 8/1/85).
- 8. An applicant whose place of business does not meet the requirements of any other section of this chapter (Ord. #559, 6/4/81; Ord. #886, 12/07/95).
- 9. An applicant whose place of business is one hundred fifty (150) feet or less from a church, school, public playground, or park. This distance is to be measured in a straight line from the closest point from building to building, or in the case of a public playground or park, from the closest point of the applicant's building to the closest point in the nearest property line of the public playground or park. Provided, however, the provisions of this section shall not apply to any licensed premises deriving fifty five percent (55%), or more, of its gross revenue from non-alcohol related sales. For the purposes of this section, non-alcohol related sales shall be defined as the sale of food or non-alcoholic beverages. Non-alcohol related sales shall not include any admission fee, parking fee, cover charge, or other charge that must be paid for entry on or to the premises, or any fee or charge for any sales of commodities other than food or non-alcoholic beverages.

Provided further, however, that any business established prior to the effective date of this Ordinance may be continued. When a business not conforming with the provisions of this section is discontinued or abandoned for a period of one hundred eighty (180) consecutive days, then no application for a business not in conformance with the provisions of this section shall thereafter be approved (Ord. # 559, 6/4/81; Ord. # 674, 1/7/88; Ord. # 749, 04/04/90; Ord. # 1224, 3/1/18).

- 10. An applicant who has not reached the age of 21 years of age at the time the application is submitted to the Board. Provided, however, that any applicant who holds a permit under this chapter prior to the effective date of this ordinance shall continue as a permit holder.
- 11. The Alcoholic Beverage Control Board may approve the issuance of a permit to an applicant for an initial permit or any renewal, but the city manager or his designee shall not issue the permit to the applicant until the applicant has properly applied for and obtained a city business license pursuant to 6-301 of the Paris Municipal Code and the Business Tax Act, as codified in T.C.A. 67-4-701, et seq. Further, if a permit holder does not file any report required by the above statutes or ordinances, or if the permit holder is delinquent in payment of any sums due the City of Paris or the State of Tennessee, as required by said statutes or ordinances, the city manager or the city manager's designee shall suspend the permit until the next regular meeting of the Alcoholic Beverage Control Board, where, at that time, the Alcoholic Beverage Control Board shall determine if a violation of this chapter has occurred pursuant to the provisions of 2-214 of the Paris Municipal Code. (Ord. #1039,02/03/05.)

#### 2-207. Investigation and Examination of Applicants; Application Fee; Privilege Tax.

- a. The Alcoholic Beverage Control Board and the City Manager shall have the right to examine, or cause to be examined, any applicant for a permit or for a renewal thereof, to determine the validity of the statements made in any application, and to examine or cause to be examined the books and records of any such applicant. Any applicant making any false statement of any material fact in his application shall forfeit any permit received and shall not be eligible to receive another permit for a period of ten (10) years thereafter. An application fee of two hundred fifty dollars (\$250) for use in offsetting the expense of investigating the applicant shall be charged pursuant to Tennessee Code Annotated, Section 57-5-104 on any original application for a permit, provided, however, that such fee shall not be charged for renewal of any existing permit, an application for a new location from an applicant already a permit holder under this chapter, or by an applicant who is a manager of an establishment under this chapter that is currently holding a permit under this chapter. Regardless of whether or not an application is approved or denied, any portion of the fee collected in excess of that actually used in the investigation shall be the property of the City of Paris and deposited in the General Fund (Ord. #559, 6/4/81; Ord. #597, 9/1/83, Ord. #834, 7/07/93).
- b. There is hereby imposed on the business of selling, distributing, storing or manufacturing beer in the city of Paris a privilege tax of one hundred dollars (\$100.00) to be remitted on January 1, 1994, and each successive January 1 to the finance director of the city of Paris. The finance director shall mail written notice to each permit holder of the payment date of the annual tax at least thirty (30) days prior to January 1 of each year. Notice shall be mailed to the address specified by the permit holder on its permit application. If a permit holder does not pay the tax by January 31 or within thirty (30) days after written notice of the tax was mailed, whichever is later, then the finance director shall notify the permit holder by certified mail that the tax payment is past due. If a permit holder does not pay the tax within ten (10) days after receiving notice of its delinquency by certified mail, then the permit shall be void and the finance director shall notify the Alcoholic Beverage Control Board of this action. At the time a new permit is issued to any permit holder, the permit holder shall be required to pay the privilege tax on a prorated basis for each month or portion thereof remaining until the next tax payment date. Termination of business by a permit holder, or suspension or revocation of any permit, shall not entitle the permit holder to any refund of any portion of the privilege tax. The city of Paris may utilized these tax funds for any public purpose (Ord. #834, 07/07/93).

#### 2-208. Term of Permit; Classification; Permit to be Posted.

A. Each permit issued hereunder shall remain in force and effect until terminated by the provisions of this Ordinance, or until suspended or revoked by the Alcoholic Beverage Control Board. There shall be two (2) classes of permits issued by the Board, as follows: (Ord. #1031, 06/28/04).

(Class A): An "off sale" permit to any applicant engaged in the sale of alcoholic beverages where they are not to be consumed by the purchaser upon or near the premises of such seller (Ord. #559, 6/4/81).

(Class B): An "on-sale" permit to any applicant engaged in the sale of alcoholic beverages where they are consumed by the purchaser or his guest upon the premises of the seller (Ord. #559, 6/4/81).

The permit issued by the Board shall be conspicuously posted on the premises where the business authorized by the permit is conducted (Ord. #559, 6/4/81).

B. Surrender of permit upon termination of business. Any permittee who ceases the active operation of a business location offering for sale alcoholic beverages under the provisions of this chapter for a period of greater than thirty (30) days shall be deemed to have surrendered the permit issued under the provisions of this chapter. In addition, when the business permitted under this chapter shall cease operation, a permittee shall be required to surrender said permit to the city business office within fifteen (15) days of termination of the business, provided, however, that notwithstanding the failure to return a permit, such permit shall expire on termination of the business and any permit not so surrendered shall prohibit the permittee from securing a new permit at a later date without permission of the Alcoholic Beverage Control Board. The Alcoholic Beverage Control Board shall further have the power to revoke and remove from the records of the City of Paris any permits not so surrendered, permits of any businesses who have ceased operation under the provisions of this section, or permits of businesses who have failed to meet the transfer requirements of Section 2-212 (7). The Alcoholic Beverage Control Board shall further be notified at their monthly meetings of any change in the status of any permits by the City Police Department and the City Business Office (Ord. #653, 11/11/86, Ord. #834, 07/07/93).

If an applicant shall reapply for issuance of a new permit previously revoked as stated above, the applicant shall be required to reapply as provided in 2-205 and pay the application fee provided in 2-207 (Ord. #886, 12/07/95).

#### 2-209. Records of Permits.

The City Manager shall keep a complete record of all such permits issued and shall furnish the Chief of Police with a copy thereof; upon revocation or suspension of any permit the City Manager shall immediately give written notice thereof to the Chief of Police (Ord. #559, 6/4/81; Ord. #653, 11/11/86; Ord. #674, 1/7/88).

#### 2-210. Nightclubs.

In addition to the provisions of this Chapter, the following provision shall apply where applicable:

- (a) A nightclub shall be defined as an establishment holding a permit under this chapter where beer is provided or consumed, as defined in 2-203 of this chapter, and patrons come to view an act, be entertained by an act or show, and/or participate in such entertainment. Such act or show may be live or pre-recorded and may be by audio or visual means with a dance floor or stage on the premises (Ord. #973, 9/5/00.) (b) In order to qualify as a nightclub under the provisions of this section, such premises must have a minimum seating capacity of 100 occupants and must meet all Code requirements of the City of Paris in effect for this type of use.
- (c) All provisions of Title 2, Chapter 2, shall be applicable to nightclubs with the exception of 2-212 (1) and 2-212 (9). Provided, however, that a patron or customer of a nightclub as defined in this section may bring on to said premises alcoholic beverages as defined in 2-101 (1) for consumption by said person on the premises of the permit holder, if the provisions of 2-212 (9), Sub-sections b, c, and d, are complied with (Ord. #674, 1/7/88, Ord. #886, 12/07/95, Ord. # 974, 1/02/01).
- (d) Notwithstanding the provisions of this section, the provisions of 2-212 (5) shall be applicable to night clubs and any night clubs allowing conduct prohibited by 2-212 (5) shall further be prohibited from allowing the conduct described in 2-210 (c) (Ord. #886, 12/07/95).

#### 2-211. Private Clubs.

All provisions of Title 2, Chapter 2, shall be applicable to private clubs with the exception of the following sections: 2-212 (1) and 2-212

(3). For the purposes of this section, the term "private club" shall be as is defined in T. C. A. 57-4-201 (a) (Ord. #674, 1/7/88, Ord. #852, 6/02/94, Ord. #886, 12/07/95).

#### 2-212. Prohibited Acts, Acts Required.

The following conduct shall be regulated by the Alcoholic Beverage Control Board:

- 1. In premises upon which the sale of beverages for consumption on the premises is permitted, no screen, blind, curtain, partition, article, or thing shall be permitted in the windows or upon the doors of such premises, nor inside said premises, which shall prevent a clear view into the interior of such premises from the street, road or sidewalk at all times. The Board shall have the right to require the filing of plans, drawings, and photographs showing the clearance of the view as above required. Provided, however, that any business established prior to the effective date of this ordinance may be continued. When a business not conforming with the provision to this section is discontinued or abandoned for a period of one hundred eighty (180) consecutive days, then no application for a business not in conformance with the provisions of this section shall thereafter be approved (Ord. #559, 6/4/81, Ord. #886, 12/07/95).
- 2. No applicant shall employ any persons in the storage, sale or manufacture of any of said beverages except citizens of the United States or any person who has been convicted of any violation of the laws against possession, sale, manufacture, and transportation of intoxicating liquor, or any felony, within the last ten (10) years (Ord. #559, 6/4/81, Ord. #580, 3/3/83, Ord. #886, 12/07/95).
- 3. No alcoholic beverages shall be sold, offered for sale, given away, or consumed between 3:00 a.m. and 8:00 a.m., provided, however, that no alcoholic beverages shall be sold, offered, for sale, given away, or consumed between 3:00 a.m. and 10:00 a.m. on Sundays. No such beverage shall be consumed, open for consumption, or on or about any premises licensed hereunder, in either bottle, glass, or other container, after 3:00 a.m., and no premises licensed hereunder shall allow persons on said premises in any manner whatsoever after 3:00 a.m. Provided, however that: (Ord. #974, 1/02/01; Ord # 1243, 7/11/2019).
- (i) Any licensed premises under this chapter deriving fifty percent (50%) of its gross revenue from non-alcoholic related revenue may allow persons on said premises during the hours when sale or consumption or alcoholic beverages is prohibited for the purpose of conducting other business, but in no event shall any alcoholic beverages by brought on to the premises, given away, sold, offered for sale, consumed or open for consumption during the prohibited time specified in § 3 above. For the purposes of this section, non-alcohol related revenue shall not include an admission fee, parking fee, cover charge, or other charge that must be paid for entry on to the premises, or any fee or charge for any sales of commodities other than for food or non-alcoholic beverages. (Ord. #973, 9/5/00, Ord. #974, 1/02/01).
- (ii) during the time when licensed premises as defined in this section, are open for business, all entryways to the premises shall remain unlocked and open to the public and no licensed premises shall allow persons on said premises in any manner whatsoever after said premises are closed or not open to the public (Ord. #559, 6/4/81, Ord. #565, 12/3/81, Ord. #886, 12/7/95).
- (iii) any licensed premises as defined in (i) above not in compliance with (i) above shall immediately be required to comply with the closing requirements of the general provisions of this section until such time as the licensed premises is in compliance with the requirements of (i) above (Ord. #559, 6/4/81; Ord. #565, 12/3/81, Ord. #886, 12/07/95; Ord. #973, 9/5/00).

- 4. It shall be unlawful for the holder of any permit issued under this section to sell, deliver or give alcoholic beverages to any intoxicated person (Ord. #559, 6/4/81).
- 5. It shall be unlawful:
- (i) To permit any gambling on any premises issued a permit under this chapter.
- (ii) To permit any owner, licenses, agent of licensee, guest of licensee, employee, independent contractor of licensee, patron, or guest to remove any clothing, garments, or other costume, either as a live performance, or incidental to any hereinabove described person's use of the licensed premises. Such prohibition does not include the removal of headwear or footwear; or the incidental removal of a tie, suitcoat, sportcoat, jacket, sweater, or similar outer garment by a patron, guest, or invitee of the licensed premises.
- (iii) To allow any entertainment on licensed premises by any person specified in section (ii) above, which shall contain the performance of acts or simulated acts of sexual intercourse, masturbation, sodomy, bestiality, oral copulation, flagellation, or any sexual acts which are prohibited by law, including the actual or simulated touching, caressing, or fondling of the breasts, buttocks, anus, or genitals, or the actual or simulated displaying of the pubic hair, anus, vulva, or genitals; or the nipples of a female.
- (iv) To permit any person specified in (ii) above from appearing with his or her genitals or pubic region less than completely covered by an opaque substance or material, appear with his or her buttocks less than completely covered by an opaque substance or material; or any female to appear with either or both of her breasts less than completely covered by an opaque substance or material below the upper most or highest part of the areola.
- (v) For any person specified in (ii) above to permit or allow the showing of films, still pictures, electronic reproductions, or other visual reproductions depicting any entertainment, acts, scenes, drawings, or any other devices portraying, depicting, or in any wise showing any of the prohibited activities described above in (ii) through (iv).
- (vi) Any licensee in violation of the provisions of this section shall have its license revoked or suspended as provided by the provisions of this chapter and shall be guilty of a misdemeanor and be punished in accordance with the provisions of the Paris Municipal Code (Ord. #559, 6/4/81, Ord. #821, 3/4/93).
- 6. A permit shall be valid only for the owner to whom the permit is issued and cannot be transferred to another owner. If the owner is a corporation, a change of ownership shall occur when control of at least fifty percent (50%) of the stock of the corporation is transferred to a new owner. A permit shall expire on termination of the business, change in ownership, or change of the business's name. Provided that for those permit holders whose business is run by a manager and the business' manager holds a permit, and in the event of change of management the business shall be allowed to continue for a period of thirty (30) days from said change of management, during which time the new manager shall be allowed to apply for a permit without interruption of the business conducted by the permittee (Ord. #687, 8/4/88, Ord. #834, 07/07/93, Ord. #886, 12/07/95).
- 7. A permit issued hereunder shall permit the sale of alcoholic beverages in the premises described in the permit application and any relocation of the business shall cause the permit to expire. Provided, however, that a permit shall be valid for all decks, patios, and other outdoor serving areas that are contiguous to the premises in which the permitted locations is operated by the permittee. Such location may be changed only upon application to the Board and such request for change shall be reviewed as in the manner of a new permit application. No change of location shall be permitted unless the proposed new location is in compliance with the provisions and regulations of this chapter (Ord. #559, 6/4/81, Ord. #834, 07/07/93, Ord. #974, 1/02/01).
- 8. Minors:
- (a) It shall be unlawful to sell, give or deliver alcoholic beverages to any person under the age of twenty-one (21) years. It shall be unlawful for any owner, manager, or his/her agent or employee to suffer or permit any minor to be or to remain in any room or compartment adjoining or adjacent to or situated in the room or place where such "on sale" premises is located, providing that this sentence shall not apply to any minor on any licensed premises which derives more than fifty percent (50%) of its gross revenue from the sale of non-alcoholic related revenue items as is defined in 2-212 3. (i) (Ord. #559,6/4/81; Ord. #612, 8/1/84; Ord. #653, 11/11/86, Ord. #674, 1/7/88, Ord. #886, 12/07/95, Ord. #973, 9/05/00).
- (b) It shall be unlawful for any permittee or agent thereof, to permit any person under the age of eighteen (18) years to engage in the sale, drawing, pouring or mixing of any alcoholic beverage in any permitted premises, provided, however, that any permittee holding a Class A permit shall be allowed to employ persons age seventeen (17) years and older for the sale of items regulated by this chapter under the same terms and conditions as employees eighteen (18) years or older (Ord. #559, 6/4/81, Ord. #580, 3/3/83, Ord. #886, 12/07/95).
- (c) It shall be unlawful for any person under the age of twenty-one (21) years of age to purchase or obtain any alcoholic beverage where such beverage is sold. It shall be unlawful for any parent or guardian to permit any person under the age of twenty-one (21) years of which he/she may be parent or guardian to violate any provision of this section. It shall be unlawful for any person to misrepresent his/her age for the purpose of purchasing or obtaining alcoholic beverages from any premises where a permit has been issued and alcoholic beverages are sold (Ord. #559, 6/4/81; Ord. #612, 8/1/84; Ord. #674, 1/7/88).
- 9. The possession and consumption of alcoholic beverages containing an alcoholic content of five percent (5%) by weight or greater as defined in 2-101 (1) of the Paris Municipal Code shall be prohibited on the premises covered by the provisions of this chapter except in the following circumstances:
- (a) A patron or customer of a business holding a Class B permit may bring on to said premises alcoholic beverages as defined in 2-101 (1) for the consumption by said person on the premises of the permit holder if the licensed premises derives fifty percent (50%) of its gross revenue from non-alcoholic related revenue. For the purpose of this section, non-alcoholic related revenue shall not include an admission fee, parking fee, cover charge, or any other such fee that must be paid for entry on to the premises, or fee or charge for any sales of commodities other than for food or non-alcoholic beverages; and,
- (b) Said alcoholic beverage is retained in the possession of the patron or customer at all times while said patron or customer is on the premises and is removed by the patron or customer when the premises are vacated; and,
- (c) Said alcoholic beverage is packaged and transported in such a container that it is not readily observable by other patrons or employees to be alcoholic beverages; and,
- (d) The owner, operator, or manager of the premises upon which the alcoholic beverage is proposed to be consumed gives permission for said possession and consumption; and,
- (e) The premises under this chapter holds an inspection certificate from the Department of Environmental Health. The licensed premises shall be required to meet any and all regulations contained in the other sections of this chapter relating to legal hours and days of sale, prohibited acts and acts required, regulation and control of minors and employees, the same if said beverage contained an alcoholic content of five percent (5%) by weight or less (Ord. #973, 9/5/00).

This section shall not apply to any permitted location where the permittee also holds a liquor by the drink permit issued by the Tennessee Alcoholic Beverage Commission. (Ord. #974, 1/2/01).

#### 2-213. Procedures for Revocation.

The Alcoholic Beverage Control Board shall have the power to revoke any permits, upon notice to the permittee or the owner and manager if the manager is the permit holder and hearing thereon, for any violation of any provision of this chapter. Notice of a hearing shall be sent by the City Manager to permittee at least seven (7) days prior to the hearing, stating the particular violations of this chapter upon which the hearing will be held.

The Board shall examine or cause to be examined, any witnesses, books, records, and may take such testimony as proof as is required and shall have the power to compel the presence of witnesses by the issuance of subpoenas for the purpose of obtaining all information required for such hearing. The permittee shall be entitled to representation by counsel and the Board shall keep a full and complete transcript of the proceeding before the Board. The Board shall make public the date and time of such hearing. At the hearing the permit holder or any other interested person may have the right to present evidence as to the facts of said violation and any other fact which may aid the Board in determining whether this ordinance has been violated and the purposes of the permit have been abused.

At the hearing, if the Board determines that a witness or other information necessary for the just determination of the issue before the board is not present, the Board may recess the hearing, to a date and time certain not to exceed thirty (30) days, to compel the attendance of witnesses or production of information required for such hearing. If the Board determines that the terms and conditions of the permit have been violated, the Board shall then proceed to enact such penalties as may be required under 2-214 of this chapter (Ord. #710, 6/01/89, Ord. #886, 12/07/95).

#### 2-214. Penalties; Revocation and Suspension Period.

A. If it is determined by the Alcoholic Beverage Control Board that a violation of this chapter has occurred under the procedures provided for in 2-213, then the Board shall revoke any permit previously granted, for a period of not less than one (1) year.

If, however, it should appear to the Board that such violation should not result in an outright revocation, but that the permittee should have his/her/its permit suspended, then the Board is specifically authorized to suspend such permit for a period of time that the Board deems appropriate.

Further, any revocation or suspension shall preclude the issuance of a permit to any other person or persons, partnerships, or corporations, as is more specifically provided in 2-205 (Ord. #559, 6/4/81, Ord. #674, 1/7/88, Ord. #886, 12/07/95, Ord. #974, 1/2/01).

- B. No permit or license shall be revoked on the grounds the holder of any permit or any person working for the holder of such permits, sells alcoholic beverages to a person over the age of eighteen (18) if such person exhibits an identification, false or otherwise, indicating their age to be twenty-one (21) or over, if the appearance as to maturity is such that the holder of the permit or his employee might reasonably presume said person to be of such age and is unknown to such person making the sale. Said permit may be suspended for a period not to exceed ten (10) days. However, this shall not be construed in any way to relieve the said person from liability for making such an illegal purchase as provided for in 2-208 (Ord. #674, 1/7/88, Ord. #886, 12/07/95).
- C. The Alcoholic Beverage Control Board, may, at its sole discretion, at the time it imposes a revocation of suspension as provided in A. or B. hereinabove, offer the permit holder the alternative of paying a civil penalty not to exceed fifteen hundred dollars (\$1,500.00) for each offense of making or permitting to be made any sales to a minor or a civil penalty not to exceed one thousand dollars (\$1,000.00) for any other offense. Provided, however, that in no instance shall the civil penalty for any offense be less than a minimum civil penalty of \$500.00. If a civil penalty is offered as an alternative to revocation or suspension, the permittee shall have seven (7) days within which to pay the civil penalty before the revocation or suspension shall be imposed. If the civil penalty is paid within that time, the revocation or suspension shall be deemed withdrawn. The permittee's payment of a civil penalty shall not affect the ability to seek review of the civil penalty pursuant to the provisions of 2-215 (Ord. #834, 07/07/93, Ord. #886, 12/07/95).

#### 2-215. Judicial Review of Alcoholic Beverage Control Board Action.

The action of the Alcoholic Beverage Control Board in connection with the issuance, revocation or suspension of a permit, may be reviewed by the statutory writ of certiorari, and writ of certiorari to be addressed to the Circuit or Chancery court of Henry County, Tennessee. Immediately upon the grant of the writ of certiorari, the Alcoholic Beverage Control Board shall cause to be made, certified and forwarded to said court, a complete transcript of the proceedings before the Board (Ord. #559, 6/4/81, Ord. #674, 1/7/88, Ord. #886, 12/07/95). Said provisions of this section shall be the sole and exclusive remedy and method of review of any action or order that may have been issued by the Alcoholic Beverage Control Board, including the refusal or failure to grant any license or permit (Ord. #559, 6/4/81).

#### 2-216. Violations - Misdemeanors - Penalties.

Any violation of any section of this chapter upon conviction shall be punished by a fine of not less than nor more than fifty dollars (\$50.00). Each individual violation and each occasion shall constitute a separate misdemeanor (Ord. #559, 6/4/81, Ord. #612, 8/1/84, Ord. #674, 1/7/88).

#### 2-217. Temporary Permits.

Temporary permits may be issued by the Board to charitable or religious non-profit organizations which meet the qualifications as defined in IRS  $\S501(c)(3-8)$  so that no part of the earnings go to the benefit of any private shareholder or individual, under the terms and conditions as follows: (Ord. #1280, 5/5/2022).

- (a) Applications for a temporary permit shall be made on a form approved by the Board and must be received by the business office of the City of Paris at least seven (7) days before the regular Alcoholic Beverage Control Board Meeting. There shall be no application fee charged by the Board, provided, however, that the privilege tax of one hundred dollars (\$100.00) shall be paid to the finance director for each temporary permit issued (Ord. #834, 07/07/93; Ord. #1261, 11/05/20).
- (b) A temporary permit shall be valid, at the discretion of the Board, for a maximum period of 84 hours. Provided, however, that no temporary permits shall be issued for the period from 6:00 a.m. to 2:00 p.m. on the day of the Grand Parade during the World's Biggest Fish Fry celebration. (Ord. # 1280, 5/5/2022).
- (c) The premises for which a temporary permit may be issued shall be limited to property owned or rented by the applicant. Provided, however, no temporary permit shall be issued for property or premises owned or controlled by any governmental entity unless the affected governmental entity gives written permission for the issuance of such permit. (Ord. 1261, 11/05/20).
- (d) In substitution of the provisions of 2-212 of this chapter, the following conduct shall be regulated by the Alcoholic Beverage Control Board for those holders of temporary permits:
- 1. It shall be unlawful to sell, give, or deliver alcoholic beverages to any person under the age of twenty-one (21) years.
- 2. No alcoholic beverage shall be sold, offered for sale, or given away except between the hours of 6:00 a.m. and 12:00 midnight on Monday through Saturday.
- 3. It shall be unlawful for the holder of any permit issued under this section to sell, deliver, or give away alcoholic beverages to any intoxicated person.
- 4. It shall be unlawful for any permittee or any agent thereof, to permit any person under the age of eighteen (18) years to engage in the sale, drawing, pouring, or mixing of any alcoholic beverage on any permitted premises.
- 5. A patron or customer of a permittee under this section may bring on to said premises alcoholic beverages as defined in 2-101 (1) for consumption by said person on the premises of the permit holder if said alcoholic beverage is retained in the possession of the patron or customer at all times, is removed by the patron or customer when the premises are vacated, if the alcoholic beverage is packaged and transported in such a container that is not readily observable by other patrons or employees to be alcoholic beverages, and the permit holder gives permission for the said possession and consumption.

- 6. All alcoholic beverages under the provisions of this section shall be dispensed by the permit holder in non-breakable opaque containers. 7. No alcoholic beverages dispensed by the permit holder under the provisions of this section may be removed by patrons or customers when they leave said premises. The permit holder shall post signs on the permitted premises at all points at which alcoholic beverages are sold and at all exits to the premises which inform patrons or customers of this provision of this section.
- (e) The provisions of 2-213, 2-214, 2-215 and 2-216 are hereby specifically incorporated by reference as fully as if included herein (Ord. #674, 1/7/88, Ord. #886, 12/07/95).
  - F. That Title 2 Chapter 2 of the Paris Municipal Code be amended by enacting Title 2 Chapter 2 as follows:

CHAPTER 2 BEER

#### 2-201. Beer Control Board - Created; Membership; Terms

*Created; Membership; Organization.* There is hereby created a board of seven (7) members, to be known as the Beer Control Board of the City of Paris, Tennessee. All seven (7) members of such board shall be residents of the City of Paris. The Beer Control Board shall organize by the election of a chairman, vice-chairman, and secretary.

Terms of Members. Board members shall be appointed by the Mayor for a term of three (3) years, subject to the approval of the City Commission. Any vacancy on the Board shall be filled in like manner for the balance of the unexpired term. Such Board shall be appointed, subject to the right of the Mayor with the approval of the City Commission, the above mentioned terms notwithstanding.

#### 2-202. Meetings of Beer Board; Quorum; Action

Regular meetings of the Beer Control Board shall be held on the third Thursday of each month at 12:00 p.m. at the City Hall. Attendance by at least three (3) members of the Board shall constitute a quorum. The concurring vote of at least three (3) members of the Board shall be necessary for any action by the Board.

#### 2-203. Record of Beer Board Proceedings

Minutes shall be kept of the meetings in permanent form and a record shall be kept of the action of the Board with respect to every application for a permit. Minute books of the Board shall be a public record and shall become a part of the records of the Finance Director of the City of Paris.

#### 2-204. "Beer" Defined

The term "Beer" means products made from the normal alcoholic fermentation of malt or other cereal grains, sugar, or fruit ingredients used to make cider, and having an alcoholic content of not more than eight percent (8%) alcohol by weight and that do not contain distilled spirits or wine as defined in T.C.A. § 57-3-101; provided, that at least fifty-one percent (51%) of the overall alcoholic content by weight in the finished product is obtained by the fermentation of malt, other cereal grains, sugar, or fruit ingredients used to make cider, and no more than forty-nine percent (49%) of the overall alcoholic content by weight in the finished product is obtained by the addition of flavorings or other non-beverage ingredients containing alcohol.

#### 2-205. Sale, Transport, Distribution Regulated

- A. It is unlawful to operate any business located within the city limits of the City of Paris engaged in the sale, distribution, manufacture, or storage of Beer without a permit issued by the City of Paris.
- B. It shall further be unlawful to sell, offer for sale, give away, or allow to be brought on the business premises, any Beer when a parking fee, admission fee, cover charge, dues payment, or other type of charge is made to the public or a private group for admission to any event, function, or other entertainment, educational, or business offering, whether by a profit or a nonprofit individual, group, organization, or corporation, unless such activity is held at a location that has a permit issued pursuant to this chapter, or unless a temporary permit is issued pursuant to this chapter.

#### 2-206. Enforcement of Chapter

The Beer Control Board and the City Manager of the City of Paris shall have full power to enforce the provisions of this chapter and to investigate reported violations thereof, and for this purpose is authorized to utilize the full facilities of the City of Paris Police Department, and such other inspection agencies of the City as may be deemed proper for the full and proper enforcement of this chapter.

#### **2-207.** Limitations upon issuance of beer permits. A. No permit shall be

issued to sell Beer:

- 1) In violation of any provisions of state law.
- 2) In violation of the zoning ordinance of the city.
- 3) Where such sales will cause congestion of traffic or interference with schools, churches, or other places of public gathering, or otherwise interfere with public health, safety, and morals, and the judgment of the Beer Control Board on such matters shall be final.
- B. There shall be only one permit issued for each location regulated by the terms of this chapter. The permit granted under this chapter shall be issued only to:
  - a. The owner or an on-premises manager when the application is a sole proprietorship.
  - b. A partner or an on-premises manager when the applicant is a partnership.
  - c. An on-premises manager when the applicant is a limited liability company or corporation.

In the event the applicant to whom a permit has been issued discontinues association with the business or other entity associated with the application or is no longer the on-premises manager of the business or other entity associated with the application, the permit must be transferred to another individual qualified to hold a permit as required by this ordinance.

C. An applicant must possess a State Sales Tax Identification Number; however, the Beer Control Board may issue a permit to an application who is making application for a State Sales Tax Identification Number provided if such State Sales Tax Identification is not obtained within ten (10) days of issuance of a permit pursuant to this ordinance, the Beer Control Board shall revoke the applicant's permit. **2-208. Applications for Beer Permit** All applications shall be made on such form as the Beer Control Board shall prescribe and/or furnish, and pursuant to T.C.A. § 57-5-104, shall be accompanied by a nonrefundable application fee. Each applicant must be a person of good moral character and certify that he has read and is familiar with the provisions of this chapter.

An application must be submitted no later than fourteen (14) days prior to the Beer Control Board meeting for the Board to consider issuance of a Beer Permit.

For the purposes of this application, the applicant also shall waive the applicant's right to privacy for the purpose of allowing the City of Paris to verify all statements made in the application.

#### 2-209. Application Fee

An application fee of two hundred fifty dollars (\$250.00) for use in offsetting the expense of investigating the applicant shall be charged pursuant to Tennessee Code Annotated, Section 57-5-104, on any original application for a permit, provided, however, such fee shall not be charged for renewal of any existing permit, an application for a new location from an applicant already a permit holder under this chapter, or by an applicant who is a manager of an establishment under this chapter that is currently holding a permit under this chapter. Regardless of whether or not an application is approved or denied, any portion of the fee collected in excess of that actually used in the investigation shall be the property of the City of Paris and deposited in the General Fund. **2-210. Privilege Tax** 

There is hereby imposed on the business of selling, distributing, storing or manufacturing beer in the city of Paris a privilege tax of one hundred dollars (\$100.00) to be remitted on January 1 to the City of Paris, Tennessee. The City of Paris shall mail written notice to each permit holder of the payment date of the annual tax at least thirty (30) days prior to January 1 of each year. Notice shall be mailed to the address specified by the permit holder on its permit application. If a permit holder does not pay the tax by January 31 or within thirty (30) days after written notice of the tax was mailed, whichever is later, then the City of Paris shall notify the permit holder by certified mail that the tax payment is past due. If a permit holder does not pay the tax within ten (10) days after receiving notice of its delinquency by certified mail, then the permit shall be void and the City of Paris shall notify the Beer Control Board of this action. At the time a new permit is issued to any permit holder, the permit holder shall be required to pay the privilege tax on a prorated basis for each month or portion thereof remaining until the next tax payment date. Termination of business by a permit holder, or suspension or revocation of any permit, shall not entitle the permit holder to any refund of any portion of the privilege tax. The city of Paris may utilize these tax funds for any public purpose.

#### 2-211. Classes of Permits

- A. There shall be four (4) classes of permits issued by the Board, as follows:
  - 1. Off Premises (Class A): An "off premises" permit applies to seller engaged in the sale of Beer which is not to be consumed by a purchaser upon or near the premises of such seller.
- 2. On Premises (Class B): An "on premises" permit applies to a seller engaged in the sale of Beer which is consumed by the purchaser or his guest upon the premises of the seller.
- 3. Dual Purpose Manufacturer (Class C): A "dual purpose manufacturer" permit applies to a manufacturer of Beer engaged in both the sale of Beer which is consumed by the purchaser or his guest upon the premises of the manufacturer and engaged in the sale of Beer which is not to be consumed by a purchaser upon or near the premises of such seller. A "dual purpose" permit shall only be issued in circumstances in which the seller is a manufacturer of Beer.
- 4. *Temporary Special Event (Class D):* A "temporary special event" permit applies only to applicants who are nonprofit organizations seeking to offer Beer for on premises consumption upon the premises where a special event is to be held and shall only be effective for a period of three (3) consecutive calendar days.
  - a. A Temporary Special Event permit shall only be issued pursuant to the following:
    - i. The applicant is a charitable or religious non-profit organization which meets the qualifications as defined in IRS §501(c)(3-8) so that no part of the earnings go to the benefit of any private shareholder or individual.
    - ii. The premises for which a Temporary Special Event permit may be issued shall be limited to property owned or rented by the applicant. With regard to a permit associated with any event to be held or located in the City of Paris Downtown Area, the definition of "premises" shall be interpreted to mean and include any closed and blocked-off or barricaded streets within and/or contiguous to the City of Paris Downtown Area.
    - iii. No Temporary Special Event permit shall be issued for property or premises owned or controlled by any governmental entity unless the affected governmental entity gives written consent for an applicant to apply for the issuance of such Temporary Special Event permit at that property or premises.
    - iv. "Beer trucks," "Beer trailers," or "Beer tent" vendors, owners, sellers, and distributors, that are temporarily located within any closed and blocked-off or barricaded street contiguous to the Downtown Area during an event held pursuant to "Special Event Permit" by the City of Paris for an event being held within the City of Paris Downtown Area, after having paid the applicable fee and being issued the appropriate permit, shall not be subject to any permit revocation, suspension, or any civil penalty, due to lawful consumers possessing, consuming, or carrying open containers of Beer from the "Beer trucks," Beer trailers" or "Beer tents," into and onto closed and blocked-off or barricaded streets within and/or contiguous to the City of Paris Downtown Area.
    - v. No temporary permits shall be issued for the period from 6:00 a.m. to 2:00 p.m. on the day of the Grand Parade during the World's Biggest Fish Fry celebration.
    - b. Any application and/or issued permit for "Beer trucks," "Beer trailers," or "Beer tent" vendors temporarily located within any closed and blocked-off or barricaded street contiguous to the Downtown Area shall specify, along with all other information required on an application for a Beer Permit, the street name on which the "Beer truck", "Beer trailer", or "Beer tent" shall temporarily be located and whether the permit is for a "Beer truck", "Beer trailer" or "Beer tent".
    - c. Nonprofit organizations may receive no more than six (6) Temporary Special Event permits during a calendar year.

#### 2-212. Wholesalers, distributors, manufacturers—Restrictions as to places of business.

No wholesaler of beer shall maintain more than one place of business. However, the Beer Control Board in its discretion may issue a special permit to any distributor to allow the distributor to store Beer in a warehouse or building separate from the building from which the business is conducted. In addition, distributors are authorized to store draft Beer for refrigeration purposes only in one additional icehouse or refrigeration plant under the following conditions:

- (1) For the purpose of this chapter, any employee of the icehouse or refrigeration plant who may be in any manner connected with the sale or distribution of Beer stored therein shall be deemed to be an employee of the wholesaler or distributor when Beer is stored, and any violation of this chapter by the employee shall be deemed to be a violation by the wholesaler or distributor.
- (2) Except sales from trucks from duly authorized salesmen, or as otherwise provided herein, no beer shall be transferred from, sold in, stored in, brought to rest in, sold from, possessed in, receipted for at, manufactured, wholesaled, or distributed from any other place, building, or location, except from the building, place, or location set out and called for in the wholesaler's, distributor's, or manufacturer's beer permit, or the icehouse or refrigeration plant or both. No beer shall be transferred to a retailer or any other purchaser except from the location called for in the wholesaler's, distributor's, or manufacturer's beer permit, or the icehouse or refrigeration plant or both by any wholesaler, distributor, or manufacturer or their salesmen or authorized representatives.

#### 2-213. Permits for hotels, clubs, lodges.

It shall be lawful for the Beer Control Board to issue an "On Premises" (Class B) permit for the sale of beer by hotels, motels, clubs, or lodges, subject to the limitations and restrictions contained the Tennessee Code Annotated and the City of Paris Municipal Code.

#### 2-214. Records of Permits.

The City Manager shall keep a complete record of all such permits issued and shall furnish the Chief of Police with a copy thereof; upon revocation or suspension of any permit the City Manager shall immediately give written notice thereof to the Chief of Police.

#### 2-215. Term of Permit.

Any permittee who ceases the active operation of a business location offering for sale beer under the provisions of this chapter for a period of greater than thirty (30) days shall be deemed to have surrendered the permit issued under the provisions of this chapter. In addition, when the business permitted under this chapter shall cease operation, a permittee shall be required to surrender said permit to the city business office within fifteen (15) days of termination of the business, provided, however, that notwithstanding the failure to return a permit, such permit shall expire on termination of the business and any permit not so surrendered shall prohibit the permittee from securing a new permit at a later date without permission of the Beer Control Board. The Beer Control Board shall further have the power to revoke and remove from the records of the City of Paris any permits not so surrendered, permits of any businesses who have ceased operation under the provisions of this section. The Beer Control Board shall further be notified at their monthly meetings of any change in the status of any permits by the City Police Department and the City Business Office.

If an applicant shall reapply for issuance of a new permit previously revoked as stated above, the applicant shall be required to reapply as provided in 2-208 and pay the application fee provided in 2-209.

#### 2-216. Procedures for Revocation and Suspension of Permits.

- 1. *All permits are subject to suspension, revocation*. All permits issued by the Beer Control Board under the provisions of this chapter shall be subject to suspension or revocation by the Board for the violation of any of the provisions of Tennessee law or any of the provisions of this chapter.
- 2. Authority of board. The Board created by this chapter is vested with full and complete power to investigate charges against any permit holder and to cite any permit holder to appear and show cause why his permit should not be revoked for the violation of the provisions of the Paris Municipal Code or the provisions of the Tennessee Code Annotated, section 5-5-101, et seq.
- 3. *Complaints*. Complaints filed against any permit holder for the purpose of suspending or revoking beer permits shall be made in writing and filed with the board.
- 4. Notice to appear, contents, service. When the Board has reason to believe that any permit holder has violated any of the provisions of Chapter 2 of the Paris Municipal Code or any of the provisions of provisions of the Tennessee Code Annotated, section 5-5-101, et seq., the Board is authorized, in its discretion, to notify the permittee of the violations and to cite the permittee by written notice to appear and show cause why his permit should not be suspended or revoked for the violations. The notice to appear and show cause shall state the alleged violations charged and shall be served upon the permittee either by registered letter or by a member of the police department of the city. The notice shall be served upon the permittee at least seven (7) days before the date of the hearing.
- 5. *Hearing*. At the hearing, the board shall publicly hear the evidence both in support of the charges and on behalf of the permittee. After the hearing, if the charges are sustained by the evidence, the board may, in its discretion, suspend or revoke the permit.

#### 2-217. Civil Penalties.

After a hearing and upon a finding of a violation of this chapter of the Paris Municipal Code, or a violation of the law of the State of Tennessee, the Beer Control Board may impose a suspension or revocation of a permit issued pursuant to this chapter. A permanent revocation of a beer permit may only be imposed if the permit holder has at least two (2) violations within a twelve-month period, and only applies to that permit holder, or agents of the permit holder, at the location of the violation. Notwithstanding the foregoing, if a permit holder is a vendor certified as a responsible vendor pursuant not the Tennessee Responsible Vendor Act of 2006, T.C.A. § 57-5-6-1, et seq., and, if and only if, both the permit holder and the clerk making the sale of alcohol have complied with the requirements of T.C.A § 57-5-606, as a responsible vendor, the Beer Control Board may not suspend or revoke the permit issued to the permit holder but may impose on the permit holder a civil penalty not to exceed one thousand dollars (\$1,000.00) for each offense of making or permitting to made any sales to minors or for other offenses.

In the event the permit holder is not certified as a responsible vendor pursuant not the Tennessee Responsible Vendor Act of 2006, T.C.A. § 57-5-6-1, et seq., the Beer Control Board may offer as an alternative to suspension of a permit, offer a permit holder the alternative of paying a civil penalty not to exceed two thousand five hundred dollars (\$2,500.00) for each offense of making or permitting to be made any sales to minors, or a civil penalty not to exceed one thousand dollars (\$1,000.00) for any other offense.

If a civil penalty is offered as an alternative to revocation or suspension, the holder shall have seven (7) days within which to pay the civil penalty before the revocation or suspension shall be imposed. If the civil penalty is paid within that time, the revocation of suspension shall be deemed withdrawn.

#### 2-218. Effect of board action.

The action of the board in all such hearings shall be final, subject only to review by the court as provided by Tennessee Code Annotated, section 5-5-101, et seq. When a permit is revoked, no new permit shall be issued for the sale of beer at the same location until the expiration of one year from the date the revocation becomes final.

#### 2-219. Beer Permit to Be Displayed.

The permit required by this chapter shall be posted in a conspicuous place on the premises of the permit holder.

#### 2-220. Beer Permits not transferable.

Permits issued under the provisions of this chapter are not transferable, either as to location or to successor by purchase or otherwise, of the business for which the permit was issued, and in either case a new permit is required in the manner provided herein.

#### 2-221. Hours of Sale, Consumption on Licensed Premises.

A. It shall be unlawful, and it is hereby declared to be a violation of this Code for any person to sell or distribute beer within the city between the hours of 3:00 a.m. and 6:00 a.m. daily, and between the hours of 3:00 a.m. and 12:00 p.m. on Sundays. No beer shall be consumed or opened for consumption on or about the premises of a permittee in either bottle, glass, or other container after 3:00 a.m., and no premises licensed hereunder shall allow persons on said premises in any manner whatsoever after 3:00 a.m.

#### 2-222. Minors and persons under nineteen; certain acts prohibited; penalty.

(1) Purchase, possession. It shall be unlawful for any person under twenty-one (21) years of age to purchase or attempt to purchase beer and it shall be unlawful for any such person to possess any beer upon the premises of an on-premises permittee. (2) Falsifying age. It shall be unlawful for any person under twenty-one (21) years of age to present or offer to permittee, his agent, or employee any written evidence of his age which is false, fraudulent, or not actually his own for the purpose of purchasing or attempting to purchase or otherwise procuring or attempting to procure beer. (3) Penalty. Any person who acts in violation of any one or more of the provisions of this section shall be charged with a violation of this ordinance. A person eighteen (18) years of age or older shall be tried by the Paris Municipal Court. Any person seventeen (17) years of age or less, shall be taken before the county juvenile court judge for appropriate disposition.

#### 2-223. Use or sale of alcoholic beverages in city parks; ejection.

It shall be unlawful for any person, organization, association or entity to possess, use, consume, sell, distribute or otherwise provide any alcoholic beverage while upon, on, or inside the boundary of any city park or recreational center or facility, except may otherwise be provided in this chapter. Any person, organization, association or entity in violation of this chapter, or other state laws of general application, or local ordinances, may be required to leave the premises by any employee of the city department of parks and recreation, or by any city employed security officer, and ejected and removed from the premises by any city law enforcement officer. It shall be unlawful, a trespass, and a violation of this section, for any person, organization, association or entity to refuse to leave the premises upon request by any employee of the city department of parks and recreation, or by any city employed security officer, or city law enforcement officer.

#### 2-224. Criminal Violations

Any violation of any section of this chapter upon conviction is a misdemeanor punishable by a fine of not less than nor more than fifty dollars (\$50.00). Each individual violation and each occasion shall constitute a separate misdemeanor.

(Ord. #).	
SECTION 2. All Ordinances and parts of Ordrepealed.	linance in conflict with the provisions of this ordinance are hereby
SECTION 3. This Ordinance shall take ef	ffect on and after the final passage and adoption.
Passed and adopted	
Passed and adopted	
	Mayor
	Finance

**Discussion:** Commissioner Etheridge confirms that the new proposed beer ordinance is a modernized version of the previous ordinance with updated references to the Tennessee Code. Commissioner Etheridge also asked if there were attendance requirements for ABC Board Members. City Attorney James Smith explained that there are rules that govern attendance for all our boards but since these are voluntary positions and many board members have jobs it can be difficult to ensure attendance. Commissioner Ray commented that increasing the number of board members should help with this issue. Commissioner Roberts inquired why the quorum would stay at three with the increased number

of board members. City Attorney James Smith explained that the quorum can be changed to four if desired. Commissioner Tharpe verified that the vendors will be notified of the changes if they are implemented.

Commissioner Roberts commented that maybe the training should be mandatory. Commissioner Jones asked who would conduct the training and City Attorney James Smith responded that it would be a state program. City Manager Kim Foster stated that we would be able to send notices to all of our beer permit holders to notify them of the changes and suggest they complete the training. Commissioner Roberts recommended changing the new ordinance to make the training mandatory for all employees that are selling beer. Commissioner Etheridge asked if there was a specific penalty in mind for noncompliance with the ordinance and Commissioner Roberts responded that she would recommend the state penalty. City Attorney James Smith explained that the only way to enforce that would be to obtain a permit, the permit holder would have to commit to all employees that sell beer going through the state Responsible Vendor training. Smith said he did not think there was a way to retroactively enforce such a rule on preexisting permit holders. City Manager Kim Foster explained that beer permits are renewed annually but we would not be able to impose the training on employees hired after the renewal of the permits.

City Attorney James Smith feels that it may work better to present the Responsible Vendor Program as a benefit and not as a rule in order to motivate businesses to adopt it. Commissioner Etheridge stated that he understands the logic behind enforcing the training but does not know it would be feasible to enforce so he suggested offering the training as a way for businesses to reduce possible penalties rather than as a rule. Commissioner Tharpe agreed with this and commented on the possible difficulties of enforcing the training. Commissioner Roberts voiced concerns about the three-person quorum, but Commissioner Etheridge and Commissioner Jones said they were fine with it.

**Action:** Commissioner Etheridge made a motion, seconded by Commissioner Tharpe, to approve the amendments for the beer ordinance in the Paris Municipal Code on First Reading. This item will be a Public Hearing at the March meeting.

Vote: Unanimous

## NEW BUSINESS AGENDA ITEM NO.11 Resolution (No. 1720) to Authorize the City Attorney to Execute Documents Necessary for The Receipt of Life Insurance Benefits to the City of Paris

City Attorney James Smith explained that a benevolent citizen of Paris left a significant amount of money from her estate to the Paris-Henry County Animal Shelter at the time of her passing. The following resolution grants City Attorney James Smith authority to execute all necessary paperwork to finalize the receipt of this gift.

#### **RESOLUTION NO. 1720**

RESOLUTION AUTHORIZING THE CITY ATTORNEY, JAMES M. SMITH, TO DISCUSS AND EXECUTE ALL DOCUMENTS NECESSARY FOR THE RECEIPT OF LIFE INSURANCE BENEFITS DESIGNATED BY POLICIES ISSUED ON THE LIFE DR. PATRICIA SMITH WHICH ARE NOW PAYABLE DUE TO HER DEATH

WHEREAS, Dr. Patricia Smith, a benevolent citizen of Henry County, Tennessee, is now deceased; and WHEREAS, Dr. Patricia Smith designated the Paris Henry County Animal Shelter, a division of the City of Paris, as a beneficiary of life insurance proceeds; and

WHEREAS, it is in the best interest of the City of Paris and the Paris Henry County Animal Shelter to accept this benevolent gift to be used for the purposes of the Paris Henry County Animal Shelter;

WHEREAS, it is fitting that such transactions be facilitated efficiently and by a designated individual

who has the experience and ability to complete and execute necessary authorizations and documentation;

NOW THEREFORE BE IT RESOLVED that the City of Paris, Tennessee, accepts the bequeath by Dr.

Patrica Smith for the benefit of the Paris Henry County Animal Shelter, and further that City Attorney, James M. Smith, is authorized to discuss with Edward Jones and/or any other representative of the life insurance company issuing the policy on the life of Dr. Patricia Smith, and that James M. Smith is authorized to execute all documents on behalf of the City of Paris, Tennessee, necessary for the receipt by the City of Paris, Tennessee, of life insurance benefits payable to the City of Paris, Tennessee, due to and because of the benevolence of Dr.

Patricia Smith, now deceased.

This the  $6^{th}$  day of February, 2025.

**Discussion:** Commissioner Tharpe comments on the generosity of this proposition.

**Action:** Commissioner Etheridge made a motion, seconded by Commissioner Roberts to authorize City Attorney, James Smith, to complete the documents needed to receive the life insurance benefits to

the City of Paris. **Vote:** Unanimous

#### STATUS OF VARIOUS PROJECTS February 2025

	PRIMARY STAFF	TARGET COMPLETION DATE(S)		
Back Alley Paris	Foster/Ray	June 2025	Work continues on the sculpture.	
2018 STBG Project for Signalization & Safety Upgrades at 3 Intersections Downtown	Foster/Morris/Crouch	Spring 2026	We are wrapping up the last ROW easement. Specifications are still under review at TDOT, TLM followed up with them on Jan 28. DBE goal was approved by TDOT on Jan. 8	
Rison St Bridge Replacement	Foster/Morris/Crouch	Summer 2026	This project is now on hold until next fall when we hope to receive funding. The bridge has been reopened to traffic.	
2020 Multimodal Access Grant for 4 Downtown Intersections	Foster/ Morris/Crouch	Spring 2026	All ROW easements except for the USPS have been submitted to TDOT for approval. We should get the last one to them this week. Construction plans, specifications & estimate are all still under review at TDOT. TLM followed up with them on Jan. 28	
2022 Multimodal Access Grant for Tyson/M.W. Intersection Upgrades & Sidewalk	Foster/Morris/Crouch	Fall 2025	Final utility coordination submitted to TDOT. Received comments on preliminary construction plans on Jan 28. Began work on addressing TDOT review comments. Continued right of way coordination.	
2022 TA Grant for Sidewalk Project along Fairgrounds & Royal Oak	Foster	Winter of 2026	SDC form 90% complete. TLM finalized preliminary grading and Layout and determination of necessary easements.	
TDEC Water Infrastructure Improvement (WII) Grant	Foster	Spring 2026	Hydraulic modeling and work on the report continue. TLM is working on the necessary permits from the Army Corps of Engineers for the Brooks St. project as well as finalizing construction plans and specifications. We are working on setting up an informational meeting for residents in the Brooks St. neighborhood.	
			Money left over after the Brooks St. project is completed will be applied to replacement of large culverts. To this end, a survey has been completed, and work has begun on a preliminary engineering report and construction plans.	
Downtown Improvement Grant	Morris/Crouch/Foster	Winter 2024	We received our final reimbursement on this grant at the end of Jan. This grant is now complete.	
2024 CDBG – Boardwalk at Eiffel Tower Park	Foster/Lawrence	Summer 2026	Survey work is underway. A preliminary survey is expected the first week of February. TLM will perform field verification of preliminary survey once it is received.	
Municipal Facilities Project  – Municipal building on N. Caldwell St.	Foster	Winter 2027	TLM plans to meet with staff soon to find out if any further floor plan modifications need to be made. Once the Fire Dept project is out for bid scheduling will get started on design details of this building.	
Municipal Facilities Project  – Fire Station on Tyson Ave.	Foster	Summer 2026	The TLM design team is finishing all details with plans and specs, and plan to submit it to USDA-RD for their plans review the first week of February.	

#### Notes from the City Manager:

City Manager Kim Foster reminded commissioners of the TML Legislative Conference on March third and fourth and said that she would be happy to make appointments for the commissioners to meet with a representative while at the conference.

City Manager Kim Foster also reminded commissioners of the PHCIC Legislative Update at TCAT on February twenty-fifth at nine a.m.

City Manager Kim Foster announced that due to equipment size increases and community growth, we will no longer be providing sanitation services in alleys. Foster explains that letters have been sent out to affected property residents to inform them of this change.

City Manager Kim Foster also announced that Public Works Director Chris Moseley was able to identify a different solution to smooth the patches on Chickasaw Road. He has been in contact with PRI to utilize their infrared technology to smooth the asphalt in places where it has had to be patched for a

cost of \$16,545. Foster commented that it should help the condition of the road quite a bit and we have it in our budget so we should be able to complete it in the next few weeks. Commissioner Jones asked if this is weather permitting and Foster replied that it can be done at any time. Commissioner Etheridge verifies that it should vastly improve the bumpiness of Chickasaw.

Commissioner Tharpe thanked City Manager Kim Foster and our Public Works team for their work to reopen the Rison Street Bridge.

The meeting duly adjourned at 5:50 p.m.		
	Mayor	
	Finance Director	