

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
May 16, 2023
10:00 A.M.**

The Board of Commissioners of the City of Paris, Tennessee held a Regular Meeting at 10:00 a.m. on Tuesday, May 16, 2023, in the Paris City Hall Courtroom.

The meeting was called to order by Mayor Kathy Ray with the following roll call:

Present: Mayor Kathy Ray
Vice Mayor Vickey Roberts
Commissioner Jackie Jones
Commissioner Sam Tharpe
Commissioner John Etheridge

Also Present: City Manager Kim Foster
Community Development Director Jennifer Morris
Administrative Assistant Jessica Crouch
Finance Director Traci Shannon
Fire Chief Jamie Hinson
Police Chief Ricky Watson
Parks and Rec Director Tony Lawrence

Absent: City Attorney James Smith

Media: Ken Walker, Paris Post Intelligencer
Shannon McFarlin, WENK/WTPR

Commissioner Jackie Jones led the meeting with the Pledge of Allegiance followed by a prayer led by Commission Sam Tharpe.

APPROVAL OF MINUTES: None

COMMENTS FROM CITIZENS: First comment was from Terry Fuller who lives at 1206 Grove Street. Mr. Fuller addressed his concerns regarding a property tax increase. Mr. Fuller stated that he sincerely hoped there would be no rate increase.

COMMENTS FROM THE COMMISSION: None

SERVICE RESOLUTIONS AND PROCLAMATIONS: None

OLD BUSINESS

None

NEW BUSINESS:

NEW BUSINESS

AGENDA ITEM NO.1

Discussion of Facilities Study

DISCUSSION: Kim Foster, City Manager, recapped the City of Paris facilities study that was handed out at the Budget meeting in May. She also brought attention to the documents handed out before the meeting on debt service numbers on the proposed interest rate with this facility project. Brandon Orr, USDA, spoke regarding the financing of this project loan. Mr. Orr spoke on the \$19.5 million proposed project of a new Fire station, new city hall, and remodel of current building for Police Department that is proposed to be completed in a phased project in the Spring 2027. Mr. Orr stated that paperwork and an application would need to be completed in order to continue with the facility project. With the approval of all paperwork and application, it would lock the City of Paris in a 3.75% interest rate up to a 40-year term. Mr. Orr stated that there is no prepayment penalty within the 40 years. He stated that the interest rates would be "capped" at the 3.75% interest rate and if in 3-5 years the interest rates decreased then the City would be able to receive the lowest interest rate. Mr. Orr stated that as long as the project is concurrent and once the project is completed the first payment would not be made until the following year. He stated that the City will only pay for the project that has been completed. Mr. Orr stated that collateralized interest can be paid during the time of construction. Kim Foster, City Manager, stated that if the Board agreed, interest could be paid along the way due to having a healthy Fund balance in order to have a lower bond once project is finalized. Mr. Orr stated that once the application is approved, then the money approved in the application has to be spent in 5 years. Mr. Orr gave advice of not adding multiple phases to the project that would not be completed in 5 years.

Ginger French, Vice-President/Architect with TLM, was present and explained the process of the phases for each proposed new building. Ms. French stated that her budgeting for the projects is close but could vary by the completion of the project. She stated that she provides an updated budget sheet at the end of each phase. She also gave an example of a recent project that she completed in Jackson, TN where the budget came in 3% less. Ms. French stated that she recommended the board approve through the Design and Development phase and then have a called meeting with an updated budget once completed.

Kim Foster, City Manager, stated that the repair cost of updating the current buildings and the replacement cost of the current buildings does not meet the need for more space as we have met our capacity. Ms. Foster stated that she spoke with the City of Paris auditor and a colleague regarding these projects. Ms. Foster stated that after having these conversations, she had a better understanding of why building a better governmental infrastructure was needed. Ms. Foster gave an update on additional revenues that would increase tax base in the City of Paris. Ms. Foster spoke on the increase in efficiency of each department with these proposed projects.

Rob Goad, Executive Director, Paris Henry County Industrial Committee, highlighted the growth in the City of Paris. He stated that the City of Paris has seen a significant increase in retail development in the last few years. He also stated that the desire for industrial development from businesses has increased as well.

Commissioner Jackie Jones stated that this project is owed to the City of Paris residents along with the future commissioners in planning for the future.

Commissioner John Etheridge commented on the flexibility of the project and the asset of the lifetime of the buildings in the future.

Commissioner Sam Tharpe stated that he was for progress in the City of Paris. He requested the remainder of the ARPA funds be utilized in the one-time payments of the TLM phases of the projects.

ACTION: Commissioner John Etheridge made a motion, seconded by Vice Mayor Vickey Roberts to approve the letter of intent with USDA for \$20 million at 40 years.

VOTE: Unanimous

ACTION: Vice Mayor Vickey Roberts made a motion, seconded by Commissioner Jackie Jones to approve TLM to continue with the Design and Development stage on all three buildings (Fire Station #1, City Hall, and Police Department) and use the remaining ARPA monetary to fund.

VOTE: Unanimous

Motion to Adjourn: Commissioner Jackie Jones made a motion, seconded by Commissioner John Etheridge to adjourn at 11:23 a.m.

Mayor

Finance Director