

*City of Port Arthur*  
*Section 4A Economic Development Corporation*

**MINUTES**  
**Regular Board Meeting**  
*501 Procter Street, Ste. 100, Port Arthur, TX 77640*  
*Monday, May 6, 2019*  
*5:30 p.m.*

**I. CALL TO ORDER**

The Board of Directors of the City of Port Arthur Section 4A Economic Development Corporation met in a Regular Meeting on Monday, May 6, 2019. The meeting was called to order at 5:30 p.m.

**II. ROLL CALL, INVOCATION & PLEDGE**

The following Board Members were present:

**Darrell Anderson, John Chirafis, Kenneth Marks, Dallas Smith, Ingrid Holmes and Jerry LaBove.**

**Following roll call the Board went straight into the Budget Workshop.**

**III. BUDGET WORKSHOP**

**IV. MINUTES**

Regular Meeting, April 1, 2019

**A motion was made by John Chirafis and seconded by Kenneth Marks to approve the minutes of the Regular Meeting, April 1, 2019. The vote was unanimous. Motion carried.**

**V. PETITIONS & COMMUNICATIONS**

**1. Presentations**

- a. Proposed PAEDC Marketing Strategy

**2. Communications**

- a. Imagine Port Arthur, Thursday, May 16, 2019
- b. Port Arthur Chamber of Commerce Industry Show August 1, 2019

**The Board agreed to participate as a Supporting Partner at the \$500 level.**

**3. Speakers (limited to 3 min. ea.)**

**VI. UNFINISHED BUSINESS**

**VII. NON-CONSENT AGENDA ITEMS**

1. To discuss for possible consideration establishing a collateral policy for Infrastructure Improvement Incentive Agreements.

**A motion was made by Darrell Anderson and seconded by Kenneth Marks to approve establishing a collateral policy for Infrastructure Improvement Incentive Agreements. The vote was unanimous. Motion carried.**

2. To discuss for possible consideration rescinding Resolution 18-413 for a purchase agreement with NDC Housing and Economic Development for property located at 4<sup>th</sup> Street between Mobile and Shreveport.

**A motion was made by John Chirafis and seconded by Dallas Smith to approve rescinding Resolution 18-413 for a purchase agreement with NDC Housing and Economic Development for property located at 4<sup>th</sup> Street between Mobile and Shreveport. The vote was unanimous. Motion carried.**

3. To discuss for possible consideration the sale of property located at 4<sup>th</sup> Street between Mobile and Shreveport.

**A motion was made by Darrell Anderson and seconded by Kenneth Marks to approve moving forward with a Purchase Contract for the sale of property located at 4<sup>th</sup> Street between Mobile and Shreveport. The vote was unanimous. Motion carried.**

4. To discuss for possible consideration entering into an Economic Incentive Infrastructure Agreement with MP1 / Pena Shopping Plaza.

**A motion was made by Darrell Anderson and seconded by Dallas Smith to approve entering into an Economic Incentive Infrastructure Agreement with MP1 / Pena Shopping Plaza in the amount of \$166,680. The vote was unanimous. Motion carried.**

5. To discuss for possible consideration entering into an Economic Incentive Infrastructure Agreement with Max Holding LLC.

**A motion was made by Kenneth Marks and seconded by Dallas Smith to approve entering into an Economic Incentive Infrastructure Agreement with Max Holding LLC in the amount of \$118,800. The vote was unanimous. Motion carried.**

6. To discuss for possible consideration entering into an Economic Incentive Agreement with Rai's Bakery.

**This item was tabled.**

7. To discuss for possible consideration a Letter of Intent for an Economic Incentive from Motion Industries.

**A motion was made by John Chirafis and seconded by Darrell Anderson to approve the consideration of a Letter of Intent for an Economic Incentive from Motion Industries. The vote was unanimous. Motion carried.**

8. To discuss for possible consideration Letter of Intent for an Economic Incentive from Robogistics.

**A motion was made by Darrell Anderson and seconded by John Chirafis to approve the consideration of a Letter of Intent for an Economic Incentive from Robogistics LLC. The vote was unanimous. Motion carried.**

9. To discuss for possible consideration a Letter of Intent for an Economic Incentive from Vessel Repair.

**A motion was made by John Chirafis and seconded by Darrell Anderson to approve the consideration of a Letter of Intent for an Economic Incentive from Vessel Repair. The vote was unanimous. Motion carried.**

10. To discuss for possible consideration approving a Micro Loan.

**A motion was made by Kenneth Marks and seconded by Dallas Smith to *not* approve a Micro Loan at the recommendation of the Micro Loan Committee. The vote was unanimous. Motion carried.**

**Following deliberation in Executive Session, a motion was made by Darrell Anderson and seconded by Dallas Smith to rescind the previous vote to not approve the Micro Loan. The Micro Loan was approved. The vote was unanimous. Motion carried.**

11. To discuss for possible consideration the Sale of Easement and Right-of-Way to Entergy Texas.

**A motion was made by Darrell Anderson and seconded by John Chirafis to approve the Sale of Easement and Right-of-Way to Entergy Texas in the amount of \$3,200. The vote was unanimous. Motion carried.**

12. To discuss for possible consideration approving a Purchase Agreement for one (1) acre of land in the Spur 93 Business Park by Mid-County Plaza, LLC.

**A motion was made by Darrell Anderson and seconded by Dallas Smith to approve a Purchase Agreement for one (1) acre of land in the Spur 93 Business Park by Mid-County Plaza, LLC. The vote was unanimous. Motion carried.**

13. To discuss for possible consideration the purchase of one (1) acre of land in the Spur 93 Business Park by Texan Tool & Industrial, LLC (Rustin Penland).

**This item was moved to Executive Session.**

**Following Executive Session a motion was made by Darrell Anderson and seconded by John Chirafis to approve the purchase of one (1) acre of land in the Spur 93 Business Park by Texan Tool & Industrial, LLC (Rustin Penland). The vote was unanimous. Motion carried.**

14. To discuss for possible consideration entering into a Purchase Agreement for one (1) acre of land in the Spur 93 Business Park by Texan Tool & Industrial, LLC (Rustin Penland).

**This item was moved to Executive Session.**

**Following Executive Session a motion was made by Darrell Anderson and seconded by John Chirafis to approve entering into a Purchase Agreement for one (1) acre of land in the Spur 93 Business Park by Texan Tool & Industrial, LLC (Rustin Penland) contingent on the payment of \$5,000 Earnest Money for the purchase and \$5,000 Earnest Money to secure additional acreage. The vote was unanimous. Motion carried**

15. To discuss for possible consideration the purchase of two (2) acres of land in the Spur 93 Business Park by B&B Ice.

**A motion was made by John Chirafis and seconded by Kenneth Marks to approve the purchase of two (2) acres of land in the Spur 93 Business Park by B&B Ice. The vote was unanimous. Motion carried.**

16. To discuss for possible consideration approving a Purchase Agreement for two (2) acres of land in the Spur 93 Business Park with B&B Ice

**A motion was made by John Chirafis and seconded by Kenneth Marks to approve a Purchase Agreement for two (2) acres of land in the Spur 93 Business Park with B&B Ice. The vote was unanimous. Motion carried.**

17. To discuss for possible consideration a Letter of Intent to lease property in the Jade Avenue Business Park.

**This item was moved to Executive Session.**

**Following Executive Session a motion was made by Kenneth Marks and seconded by Dallas Smith to accept a Letter of Intent to lease property in the Jade Avenue Business Park by Motiva Enterprises LLC, represented by Newmark Knight Frank. The vote was unanimous. Motion carried.**

18. To discuss for possible consideration an Economic Incentive with DezTex Industrial Services LLC dba RamTex.

**This item was tabled.**

19. To discuss for possible consideration the closing of the Economic Development Conditional Grant Agreement with Joe's Shopping Plaza, LLC.

**A motion was made by Darrell Anderson and seconded by Kenneth Marks to approve the closing of the Economic Development Conditional Grant Agreement with Joe's Shopping Plaza, LLC. The vote was unanimous. Motion carried.**

20. To discuss for possible consideration awarding a bid for remediation of mold/asbestos/lead 549 4<sup>th</sup> Street.

**A motion was made by Darrell Anderson and seconded by John Chirafis to approve the proposal for Project Management for the monitoring of remediation of mold/asbestos/lead for 549 4<sup>th</sup> Street with Total Safety in the amount of \$47,900 and the approve bid submitted by Sitek Omni Services LLC for the remediation of mold/asbestos/lead for 549 4<sup>th</sup> Street in the amount of \$293,400. The vote was unanimous. Motion carried.**

21. To discuss for possible consideration ratifying the electrical services provided to 549 4<sup>th</sup> Street / former Port Arthur News Building.

**A motion was made by John Chirafis and seconded by Dallas Smith to approve ratifying the electrical services provided to 549 4<sup>th</sup> Street / former Port Arthur News Building. The vote was unanimous. Motion carried.**

22. To discuss for possible consideration approving an agreement with Legacy Community Development Corporation to manage the Affordable Housing Program at a cost not to exceed \$35,000 per year.

**A motion was made by Darrell Anderson and seconded by John Chirafis to approve an agreement with Legacy Community Development Corporation to manage the Affordable Housing Program at a cost not to exceed \$35,000 per year. The vote was unanimous. Motion carried.**

23. To discuss for possible consideration the second and final renewal of a contract for landscaping and irrigation maintenance at the Spur 93 Business Park with Affordable Lawn & Tractor Service in an annual amount not to exceed \$28,500.

**A motion was made by Dallas Smith and seconded by Darrell Anderson to *not approve* the second and final renewal of a contract for landscaping and irrigation maintenance at the Spur 93 Business Park with Affordable Lawn & Tractor Service in an annual amount not to exceed \$28,500. PAEDC will continue month to month with Affordable Lawn & Tractor Service while going out for bid for these services. The vote was unanimous. Motion carried.**

24. To discuss for possible consideration approving Scholarship Awardees.

**A motion was made by Darrell Anderson and seconded by Kenneth Marks to approve the recommendation of the Scholarship Committee to award the Scholarships to the Awardees as recommended. The vote was unanimous. Motion carried.**

25. To discuss for possible consideration appointing a committee for the review and selection of the general contractor for the construction/renovation of 549 4<sup>th</sup> Street / former Port Arthur News Building.

**John Chirafis and Jerry LaBove will join the committee for the review and selection of the general contractor for the construction/renovation of 549 4<sup>th</sup> Street / former Port Arthur News Building.**

26. To discuss for possible consideration going out for bid for the PAEDC Annual Newsletter publication.

**A motion was made by Darrell Anderson and seconded by John Chirafis to approve going out for bid for the PAEDC Annual Newsletter publication. The vote was unanimous. Motion carried.**

#### **VIII. REPORTS**

1. Marketing & Business Recruitment Report
2. Operational Report
3. Financial Report
4. CEO's Report

**The Board retired to Executive Session at 7:54 p.m.**

**The Board reconvened to the Regular Board Meeting at 9:09 p.m.**

#### **IX. CLOSED SESSION (EXECUTIVE SESSION)**

**In Order To Comply With The Requirements Of Chapter 551 (Open Meetings Law) Of The Texas Government Code, Prior To Going Into Closed Meeting The Presiding Officer To The City Of Port Arthur Section 4A Economic Development Corporation Board of Directors Should Make The Following Public Announcement:**

**"A Closed Meeting or Executive Session Will Be Held Pursuant To The Following Sections of Chapter 551, Texas Government Code,**

1. **Section 551.071 Government Code** – To discuss with Attorney Guy Goodson pending and potential litigation and/or legal advice.
  - a. To discuss for possible consideration entering into an agreement with the City of Port Arthur to provide First Source Referral Services.
2. **Section 551.072 Government Code** – To deliberate the purchase, exchange, lease, or value of real property.
3. **Section 551.074 Government Code** – To discuss matters of Personnel.
  - a. PAEDC Chief Executive Officer Performance Evaluation
  - b. Staffing
4. **Section 551.087 Government Code** – To discuss Incentives for Commercial and Industrial Business Prospects.

**\*The Items in Executive Session May Be Discussed and Acted On In Open Session\***

**X. FUTURE AGENDA ITEMS OR REQUESTED REPORTS**

None

**XI. ADJOURNMENT OF MEETING**

Meeting was adjourned at 9:16 p.m.

APPROVED BY THE BOARD OF DIRECTORS ON THE 20<sup>th</sup> DAY OF

May, 2019.

Dalton Smith  
SECRETARY OF THE BOARD