

MINUTES
CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING
4173 39th Street, Port Arthur, Texas
August 9, 2006

I. CALL TO ORDER

The Board of Directors of the City of Port Arthur Section 4A Economic Development Corporation met in a Regular on Wednesday, August 9, 2006. The meeting was called to order at 5:35 p.m.

II. ROLL CALL, INVOCATION & PLEDGE

The following Board Members were present: Richard Wycoff, Keith Daws, Linda Spears, Eli Roberts, and Richard White, Board member Kerry Thomas arrived at 5:47 p.m. and Board member Lloyd Christian arrived at 6:02 p.m.

The invocation was given by Linda Spears.

The Pledge of Allegiance followed the invocation.

III. MINUTES

None.

IV. PETITIONS & COMMUNICATIONS

A. PRESENTATIONS

1. *Eco Water, Mike Laws – The presentation was given by Mike Laws. Mr. Laws explained his history with the PAEDC and the need for bio diesel in our country. He discussed how it is made, used, and federal incentives for its production.*
2. *Valero, Milton Hamilton, Beverly Hatcher, Golden Triangle Minority Business Council. Valero has donated a trailer to GTMBC and would like to locate it in the Spur 93 Business Park. The PAEDC will discuss if this is feasible.*

B. COMMUNICATIONS

None.

V. ACTION ITEMS

1. **To discuss and consider the approval of modification to the proposed contract between SALM Investments, L.L.C. and the Port Arthur Section 4A Economic Development Corporation.**

Motion was made by Linda Spears to approve the modification and was seconded by Richard Wycoff. Motion passed unanimously.

- 2. To discuss and consider the approval of an economic development grant agreement between the PAEDC and Redwine Family Partnership, Ltd.**

After a lengthy discussion, Linda Spears made the motion to approve reinstating the grant and it was seconded by Richard White. Eli asked for a roll call vote Richard Wycoff – no, Linda Spears-yes, Kerry Thomas-no, Lloyd Christian-yes, Richard White-yes, Eli Roberts-yes, 4 yes 2 no. The motion carried.

- 3. To discuss and consider the request for a forgivable loan/grant from Mc-O Construction.**

After a lengthy discussion a motion was made by Richard White and the motion was seconded by Linda Spears to grant the forgivable loan/grant in the amount of \$300,000. A stipulation was made that Mc-O must secure a \$450,000 loan from the bank. Eli Roberts called for a roll call vote – Richard Wycoff-yes, Linda Spears-yes, Kerry Thomas-yes, Lloyd Christian-yes, Richard White-yes, Eli Roberts, yes. The motion passed unanimously.

- 4. To discuss and consider the approval of the final payment of \$170,996.63 towards the invoice received from Reliable Polymers Services.**

A motion was made by Linda Spears to approve the final payment of \$170,996.63 to Reliable Polymer Services and the motion was seconded by Lloyd Christian. The motion passed unanimously.

- 5. To discuss and consider the approval of the invoice from the National Development Council in the amount of \$6,000.00 for the services rendered in the month of July, 2006.**

A motion was made by Richard Wycoff and seconded by Kerry Thomas to approve the invoice from the National Development Council in the amount of \$6,000. The motion passed unanimously.

- 6. To discuss and consider the approval of an invoice from Germer Gertz, L.L.P. in the amount of \$400.00 for professional services rendered through June 30, 2006 as it pertains to FRP Group, L.L.C...**

7. To discuss and consider the approval of an invoice from Germer Gertz, L.L.P. in the amount of 472.50 for professional services rendered through June 30, 2006 as it pertains to DonShe Pottery, L.L.C.
8. To discuss and consider the approval of an invoice from Germer Gertz, L.L.P. in the amount of \$2,018.00 for professional services rendered through June 30, 2006 as it pertains to SETX Clearwater Environmental, L.L.C.
9. To discuss and consider the approval of an invoice from Germer Gertz, L.L.P. in the amount of \$91.97 for professional services rendered through June 30, 2006 as it pertains to City of Port Arthur Section 4A EDC vs. Training Research and Development, Inc.
10. To discuss and consider the approval of an invoice from Germer Gertz, L.L.P. in the amount of \$1,235.50 for professional services rendered through June 30, 2006 as it pertains to Panelized Systems Technology, L.L.C.
11. To discuss and consider the approval of an invoice from Germer Gertz, L.L.P. in the amount of \$962.50 for professional services rendered through June 30, 2006 as it pertains to West Side Development.
12. To discuss and consider the approval of an invoice from Germer Gertz, L.L.P. in the amount of \$586.02 for professional services rendered through June 30, 2006 as it pertains to Redwine Family Partners, Ltd.
13. To discuss and consider the approval of an invoice from Germer Gertz, L.L.P. in the amount of \$1,999.21 for professional services rendered through June 30, 2006 as it pertains to Spur 93 Business Park.
14. To discuss and consider the approval of an invoice from Germer Gertz, L.L.P. in the amount of \$201.17 for professional services rendered through June 30, 2006 as it pertains to Camellia Plaza, L.P.
15. To discuss and consider the approval of an invoice from Germer Gertz, L.L.P. in the amount of \$5,506.61 for professional services rendered through June 30, 2006 as it pertains to Economic Development Corporation.

A motion was made by Richard White and seconded by Linda Spears to approve items #6 -15 for Germer Gertz, L.L.P. invoices. The motion passed unanimously.

VI. REPORTS

1. CEO's Report was given by Floyd Batiste.

Mr. Batiste discussed the following:

- a) City Administrative Costs for the upcoming fiscal year
- b) Newspaper Article – 400 new jobs
- c) Meeting with TWC and Lamar State College
- d) National Development Council
- e) Texas Forest Service
- f) Financial Report for the month of June 2006-Rebecca Underhill
- g) Board Financial Update

VII. EXECUTIVE SESSION

The board retired to executive session at 7:45 p.m., and reconvened at 8:55 p.m.

After Executive Session, the Board acted on the following items:

1. A motion was made by Kerry Thomas that since the FRP Group has not responded to our demand letter to refund monies extended, after breaching the incentive contract, the EDC Attorney is authorized to file suit against FRP Group, staff had extended every courtesy to resolve this situation. The motion was seconded by Richard White.

Motion Carried.

VIII. FUTURE AGENDA ITEMS OR REQUESTED REPORTS

1. FY07 – increase budget for training
2. Agenda reviewed by President, Eli Roberts on Wednesday a week before meeting that is cutoff day for the agenda once he approves items listed on the agenda.
3. If City Government is involved in a project for EDC, Eli Roberts would like to know.
4. Joint meeting with City Council on August 29 2006
5. Mr. Batiste requested locksmith to change locks.
6. Landscaping at the Business Park

IX. ADJOURNMENT OF MEETING

A motion was made to adjourn the meeting by Linda Spears and seconded by Richard Wycoff. It was adopted unanimously. The meeting was adjourned at 9:00 p.m.

APPROVED BY THE BOARD OF DIRECTORS ON THE 28th DAY OF August, 2006.


SECRETARY OF THE CORPORATION