

**MINUTES**  
**CITY OF PORT ARTHUR SECTION 4A**  
**ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING**  
**4173 39<sup>th</sup> Street, Port Arthur, Texas**  
**February 07, 2007**

**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 Wednesday, February 07, 2007. The meeting was called to order at 6:00 p.m.

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

The following Board Members were present: Richard Wycoff, Barbara Mulroy, Keith Daws, Eli Roberts, and Kerry Thomas.

The invocation was given by Keith Daws.

The Pledge of Allegiance followed the invocation.

**III. MINUTES**

1. January 9, 2007 Annual Meeting
2. January 9, 2007 Regular Meeting

A motion was made by Kerry Thomas and seconded by Eli Roberts to approve the minutes from January 9, 2007 annual meeting and the minutes for January 9, 2007 regular meeting. The vote was unanimous.

**IV. PETITIONS & COMMUNICATIONS**

**A. PRESENTATIONS**

1. Port Arthur International Seafarer Center – Father Sinclair Oubre

They had come to the EDC in 2003 and subsequently raised \$780,000 for the project. During the presentation he submitted three documents. (1<sup>st</sup> phase of exterior is a 7,000 sq ft. building industry and is being built 501c3 corporation and structure). He wants the EDC to partnership to occupy an office in the Seafarer Center occupying the South Tower of 1950 sq ft. approximately 17 ft. ceiling on 1<sup>st</sup> floor, 10 ft ceiling on 2<sup>nd</sup> floor and 17 ft ceiling on 3<sup>rd</sup> floor being the executive office condominium. For security the entrance will only be the front doors. The amount of \$300,000 is the cost to complete building by G & G Construction. Plan to be complete half in the next month or so. Would consider separate utility meters for EDC. Burt Lampson is the Architect. No elevator included in the plan, he estimated a cost of \$50,000 to include it. Richard Wycoff recommended the Board to visit this building.

2. KT Maintenance – Carrie and Bill

They are currently located 800 Proctor St. They need land and would like to lease, rent or possibly buy the property that EDC owns to expand warehouse for storage. They will fence the property with a wooden privacy fence.

***B. COMMUNICATIONS***

1. James Gamble Awards, Inc.

They are requesting a donation but the Board did not consider because request does not qualify for an incentive under the Port Arthur Section 4A Economic Development Corporation's law.

2. Port Arthur Teen Team City

They are requesting that the EDC sponsor shirts for their Junior Achievement program and being that the request qualifies for an incentive under the Port Arthur Section 4A Economic Development Corporation's law and the EDC logo would be on the shirts, Keith Daws made a motion and Eli seconded to approve the sponsorship with the Port Arthur Teen Team City. The vote was unanimous.

3. Port Arthur Pony League

They are requesting a donation to fund various needs and structures in the park. The board did not consider this item due to the previous funding delivered to the City of Port Arthur pertaining to Parks & Recreation to cover these items.

**V. CONSENT AGENDA ITEMS**

1. **To discuss and consider the approval of an invoice in the amount of \$3,416.66 from Amelia Lawn Care & Landscaping for services rendered through December 2006.**
2. **To discuss and consider the approval of an invoice in the amount of \$3,416.66 from Amelia Lawn Care & Landscaping for services rendered through January 2007.**

A motion was made by Keith Daws and Kerry Thomas to approve items #1 and #2 pertaining to an invoice of \$3,416.66 from Amelia Lawn Care & Landscaping for services rendered through December 2006 and an invoice of \$ 3,416.66 for Amelia Lawn Care & Landscaping for services rendered through January 2007. The vote was unanimous.

3. **To discuss and consider the approval of an invoice in the amount of \$6,000.00 from NDC for services rendered through December 2006.**
4. **To discuss and consider the approval of an invoice in the amount of \$6,000.00 from NDC for services rendered through January 2007.**

A motion was made by Keith Daws and seconded by Barbara Mulroy to approve item # 3 and # 4 for an invoice of \$6,000.00 from NDC for services

rendered through December 2006 and an invoice of \$6,000.00 from NDC for services rendered through January 2007. The vote was unanimous.

5. **To discuss and consider the approval of an invoice in the amount of \$776.77 from Crain, Caton & James for services rendered through December 31, 2006.**

This item was tabled until after executive session.

6. **To discuss and consider the approval of invoices from Germer Gertz for professional services rendered:**

<b><u>Through:</u></b>	<b><u>Amount:</u></b>	<b><u>Pertaining to:</u></b>
January 11, 2007	\$4,555.48	Economic Development Corporation
January 11, 2007	\$ 372.36	City of Port Arthur Section 4A EDC v. Tres Caballeros
January 11, 2007	\$ 187.50	Camellia Plaza, L.P.
January 11, 2007	\$ 462.50	Spur 93 Business Park
January 11, 2007	\$ 62.50	SETX Clearwater Environmental, L.L.C.
January 11, 2007	\$ 812.50	EcoDiesel Industries, LLC.
January 11, 2007	\$ 75.00	Mc-OO, Inc. d/b/a Mc-O Construction
January 11, 2007	\$1,820.43	Pleasure Island Shrimp House, Inc.
January 11, 2007	\$ 100.00	Del Pueblo Foods, USA, Inc. d/b/a Tex-Mix
January 11, 2007	\$ 425.00	Lamar State College-Port Arthur
January 11, 2007	\$ 725.00	Desselle - Maggard Corporation

A motion was made by Keith Daws and seconded by Barbara Mulroy to approve the invoice from Germer Gertz for professional services rendered through January 11, 2007. The vote was unanimous.

## **VI. NON-CONSENT AGENDA ITEMS**

1. **To discuss and consider the approval of an invoice in the amount of \$11,546.04 from Arceneaux & Gates Consulting Engineers, Inc. for professional services regarding design and construction of Jade Avenue Extension within the Business Park.**

A motion was made by Barbara Mulroy and seconded by Keith Daws to approve an invoice in the amount of \$11,546.04 from Arceneaux & Gates Consulting Engineers, Inc. for professional services regarding design and construction of Jade Avenue Extension within the Business Park. The vote was unanimous.

2. **To discuss and consider the approval of the payment for legal services for the Jade Avenue Extension/Mamie McFaddin Property.**

This item was tabled until after executive session.

3. **To discuss and consider the approval for reimbursement to the City of Port Arthur for expenses paid to the Parker Law Firm in the litigation with Diamond Consulting and Schaumburg & Polk related to the Business Park.**

This item was tabled until after executive session.

4. **To discuss and consider the approval of reimbursement to the City for the remaining portion of the deductible in the Mills Litigation.**

This item was tabled until after executive session.

5. **To discuss and consider the approval of Trey's Tractor Service for the mowing of the Port Arthur Section 4A Economic Development Corporation's Business Park.**

A motion was made by Keith Daws and seconded by Barbara Mulroy to approve Trey's Tractor Service for the mowing of the Port Arthur Section 4A Economic Development Corporation's Business Park. The vote was unanimous.

6. **To discuss and consider the approval of the bids for the construction of the Jade Avenue Extension Road.**

A motion was made by Keith Daws and seconded by Kerry Thomas to approve Excavators & Constructors, LTD for being the lowest bidder out of 4 bids for the construction of the Jade Avenue Extension Road. The vote was unanimous.

7. **To discuss and consider the approval for advertising in the Trade & Industry Development Magazine for the months of March and April of 2007 in the amount of \$2,500 for a full page.**

A motion was made by Kerry Thomas and seconded by Keith Daws to approve the advertising in the Trade & Industry Development Magazine for the months of March and April of 2007 in the amount of \$1,500 for half a page. The vote was unanimous.

8. **To discuss and request the City of Port Arthur's City Council to participate 50% in the renewal of the agreement between the City of Port Arthur and the Port Arthur Section 4A Economic Development Corporation and the National Development Council.**

Keith Daws disagreed and stated that the EDC should not request the City of Port Arthur to share the expense in the renewal of the agreement with NDC. Barbara Mulroy agreed with Keith Daws. A motion was made by Richard Wycoff to table this item due to a requested and pending opinion by EDC Attorney as to the legality of paying for services from 4A funds that eventually and directly benefit 4B projects. The vote to table was unanimous.

- 9. To discuss and consider the approval of an amended contract between the City of Port Arthur Section 4A Economic Development Corporation and DMC.**

This item was tabled until after executive session.

- 10. To discuss and consider the approval of the recommended settlement offer from Placo.**

This item was tabled until after executive session.

- 11. To discuss and consider the approval of the recommended settlement offer from Schaumburg & Polk.**

This item was tabled until after executive session.

- 12. To discuss and consider the approval of a legal service agreement between Crain, Caton & James and the City of Port Arthur Section 4A Economic Development Corporation as it pertains to the KCS site on West 7<sup>th</sup> Street with expenditures not exceeding \$15,000.00.**

This item was tabled until after executive session.

- 13. To discuss and consider the approval of an incentive agreement between the City of Port Arthur Section 4A Economic Development Corporation and Triangle Waste.**

This item was tabled until after executive session.

- 14. To discuss and consider the approval of an agreement between the Port Arthur Section 4A Economic Development Corporation and Golden Pass LNG.**

This item was tabled until after executive session.

## **VII. REPORTS**

### **1. CEO's Report**

- a. Report on legal costs. Requested by Keith Daws.**

Legal costs were submitted on paper. Keith Daws was satisfied with report.

- b. Update on progress of Bylaws. Requested by Eli Roberts.**

Mr. Sokolow, City Attorney is in the process of setting up the meeting with sub-committee to discuss the Bylaws.

- c. Joint Meeting with the City of Port Arthur. Requested by Linda Spears.

A Joint meeting will be held after the audit at the request of City Council.

- d. Report on cost of in house attorney/compliance officer.  
Requested by Kerry Thomas

Mr. Batiste explained that the cost of an in house attorney/compliance officer is \$50,000 - \$55,000 average.

- e. Report on duties and responsibilities of EDC staff and future staff.  
Requested by Richard Wycoff.

Copies of current staff and future staff job descriptions were submitted to the Board for review.

- f. To discuss and consider a designated driver for the Golden Triangle Days in Austin event on February 25 - 27, 2007.

Kerry Thomas offered to take his 7 passenger car being the designated driver, therefore, EDC will cancel rental car that had been reserved.

## **VIII. EXECUTIVE SESSION**

The board retired to executive session at 7:35 p.m., and reconvened at 9:16 p.m.

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

1. A motion was made by Eli Roberts and seconded by Kerry Thomas to accept the \$15,000 as second and final payment from FRP totaling the \$30,000 building improvements, and discharge \$10,000 due to the facts presented by Floyd Batiste that all occupancy conditions were met and certified by the required City departments. The actual certificate of occupancy was not issued by the City due to the timelessness of Hurricane Rita and other events.
2. Board questioned the legality of paying for invoices that the EDC did not engage. No proof of engagement being submitted, therefore, a motion was made by Kerry Thomas and seconded by Eli Roberts to **not** approve the payment for legal services for the Jade Avenue Extension/Mamie McFaddin Property. The vote was unanimous.
3. A motion was made by Eli Roberts and seconded by Kerry Thomas to approve the reimbursement to the City of Port Arthur for expenses paid to the Parker Law Firm in the litigation with Diamond Consulting and Schaumburg & Polk related to the Business Park. The vote was unanimous.

4. A motion was made by Keith Daws and seconded by Kerry Thomas to approve the reimbursement to the City for the remaining portion of the deductible in the Mills Litigation in the amount of \$25,000. Eli Roberts opposed. The vote was 4-1.
5. A motion was made by Eli Roberts and seconded by Kerry Thomas to approve an amended contract between the City of Port Arthur Section 4A Economic Development Corporation and DMC. The vote was unanimous.
6. Non-Consent item # 10 for approval of the recommended settlement offer from Placo was tabled for more information.
7. A motion was made by Keith Daws and seconded by Kerry Thomas to approve of the recommended settlement offer from Schaumburg & Polk subject to receipt of release. The vote was unanimous.
8. A motion was made by Eli Roberts and seconded by Barbara Mulroy to approve the legal service agreement between Crain, Caton & James and the City of Port Arthur Section 4A Economic Development Corporation as it pertains to the KCS site on West 7<sup>th</sup> Street with expenditures not exceeding \$15,000.00. The vote was unanimous.
9. Non-Consent item # 13 for approval of an incentive agreement between the City of Port Arthur Section 4A Economic Development Corporation and Triangle Waste was tabled so the board could discover potential environmental and economic impact, if any, to the Business Park.
10. Non-Consent item # 14 for approval of an agreement between the City of Port Arthur Section 4A Economic Development Corporation and Golden Pass LNG was tabled awaiting final contract language.

#### **IX. FUTURE AGENDA ITEMS OR REQUESTED REPORTS**

1. Include a 15 min. Open Public Session, (five people at 3 min. a piece). Mr. Batiste wants to have this scheduled, requested by Kerry Thomas.
2. Audit report on funding, requested by Eli Roberts.
3. Update EDC cd's, requested by Keith Daws and Eli Roberts.
4. City Council Joint Meeting on a Wednesday, requested by Kerry Thomas.
5. Follow up with Beverly Hatcher-Minority Council about office space, requested by Barbara Mulroy, Eli Roberts and Richard Wycoff.
6. Update website (staff changes), requested by Richard Wycoff.
7. Consider and establish EDC guidelines for future bereavement cases, requested by Keith Daws.

**X. ADJOURNMENT OF MEETING**

A motion was made to adjourn the meeting by Keith Daws and seconded by Kerry Thomas. It was adopted unanimously. The meeting was adjourned at 9:45 p.m.

APPROVED BY THE BOARD OF DIRECTORS ON THE 9<sup>th</sup> DAY OF  
March, 2007.

  
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SECRETARY OF THE CORPORATION