

**MINUTES  
CITY OF PORT ARTHUR SECTION 4A  
ECONOMIC DEVELOPMENT CORPORATION  
REGULAR MEETING  
4173 39<sup>th</sup> Street, Port Arthur, Texas  
August 9, 2010**

**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, August 9, 2010. The meeting was called to order at 6:00 p.m.

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

The following Board Members were present:

Aletha Kirkwood, Kaprina Frank, Richard Wycoff, Kerry Thomas, and Keith Daws.

The invocation was given by Aletha Kirkwood.

The Pledge of Allegiance followed the Invocation

**III. MINUTES**

June 7, 2010 Special Meeting  
July 12, 2010

A motion was made by Kaprina Frank and seconded by Kerry Thomas to approve the minutes of June 7, 2010 and July 12. The vote was unanimous. Motion carried.

**IV. PETITIONS & COMMUNICATIONS**

**A. PRESENTATIONS**

**1. Summer Intern Program**

Nicholas Fong, a Mass Communications student from Texas Tech came before the Board to report of his experience as an intern at the Greater Port Arthur Chamber of Commerce through the EDC Intern Program.

**B. COMMUNICATIONS**

**1. Letter of Intent – Black Phoenix**

An Industrial Manufacturing Company with a business purpose to manufacture clothing. Submitting a letter of intent for a 4A Grant Application. Black Phoenix is a start up business. Will create 30 – 50 new jobs within the first 90 days with wages starting \$8 – \$10 per hour, and \$15 – \$18 per hour for higher skilled positions. The Board requested to be brought a presentation to see the product after full application has been submitted.

**2. Letter of Intent – Kilgore Construction**

Focuses on Industrial Support Services; mass transit, procurement, etc. Just purchased property at 1347 Procter Street. Business in Lumberton, moving corporate office to Port Arthur. Board advised to submit full application and return with a full presentation.

**3. Greater Port Arthur Chamber of Commerce**

Mrs. Reid sent a thank you card to the EDC for working with the Chamber. She spoke of the Summer Intern Student, Nicholas Fong, she states he did extremely well and served as a great help. Mrs. Reid also spoke on behalf of the Chamber Education Committee; she thanked the Board for Mrs. Vaughn's services in assisting in leading the Education Committee through a Strategic Planning process.

**C. SPEAKERS**

None

**V. UNFINISHED BUSINESS**

1. To discuss and consider approval of an application for the Operation Downtown Program.

**Dr. Sam Monroe was present to explain the application which is to help fund a Student Success Center that will offer tutorials, mentoring, and classes for Developmental Studies. Building will be 1700 sq. ft. on Procter St. Project will cost approximately 2.1 million. A motion was made by Kerry Thomas and seconded by Keith Daws to approve the application by Lamar State College Port Arthur for a grant in the maximum allowed amount of \$250,000. The vote was unanimous. Motion carried.**

**VI. CONSENT AGENDA ITEMS**

1. To discuss and consider approving invoices from Germer Gertz, L.L.P. for professional services through 07/14/10.

INVOICE NO.		AMOUNT
389304	Abraham Mfg, Inc.	\$ 540.00
389138	PAEDC	3,404.22
389139	SETX Clearwater	40.00
389140	Lamar State College-PA	440.00
389141	Sitel	560.00
389142	Southland Overseas Inv	600.00
389143	Tele Tech	250.00
389144	MPW Industrial Svc.	1,290.00
<b>TOTAL</b>		<b>\$7,124.22</b>

2. To discuss and consider approving an invoice in the amount of \$11,800 from the International Economic Development Council for facilitation of the Port Arthur Community Economic Development Workshop on June 18<sup>th</sup>.

3. To discuss and consider approving an invoice in the amount of \$6,000 from the National Development Council for technical assistance rendered for the period: July 1 – 31, 2010.
4. To discuss and consider approving an invoice in the amount of \$2,833.33 from Affordable Lawn and Tractor Service for lawn maintenance at the Spur 93 Business Park for the month of July, 2010.
5. To consider approving Monthly Estimate No. 2 for the water, Sanitary Sewer, Paving and drainage facilities of the Port Arthur Business Park Phase II, Contract 3, the estimate is \$367,721.31.

**A motion was made by Keith Daws and seconded by Kaprina Frank to approve Consent Items 1 - 5 in one motion. The vote was unanimous. Motion carried.**

6. Discussion on summary of IEDC economic development workshop in Port Arthur to develop economic development goals, objectives and priorities for the PAEDC four year strategic plans.  
**No action was taken. The Board suggested setting a Saturday Workshop for a 5 year Strategic Plan.**

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

1. To discuss and consider for approval the First Source Agreement Policy Statement and Guiding Principle for all new economic incentive contracts.  
**A motion was made by Kerry Thomas and seconded by Kaprina Frank to approve the First Source Agreement Policy Statement and Guiding Principle. The vote was unanimous. Motion carried.**
2. To discuss and consider for approval advertising space through the Mexican Heritage Society as recommended by the Advertising Committee.  
**A motion was made by Kerry Thomas and seconded by Kaprina Frank to approve advertising with the Mexican Heritage Society for an inside full page advertisement during the Annual Mexican Heritage Festival in the amount of \$150. The vote was unanimous. Motion carried.**
3. To discuss and for approval an annual report submitted by Lamar State College – Port Arthur, documenting its economic incentive agreement with PAEDC and requesting its third and final economic incentive disbursement.  
**A motion was made by Kaprina Frank and seconded by Kerry Thomas to approve the annual report submitted by Lamar State College Port Arthur and the third and final payment to Lamar. The vote was unanimous. Motion carried.**
4. To discuss and consider for approval the purchase of property located at 501 Procter Street in Downtown Port Arthur.  
**This item was moved to executive session.**

5. To discuss and consider entering into an economic incentive contract agreement with MPW Industrial Services.  
**This item was moved to executive session.**

## **VIII. REPORTS**

- 1) PAEDC Incentive Contract Operational Update  
**Mrs. Vaughn provided the Board with a report of the current status of the current EDC contracts.**  
**She informed that Team Industries is struggling; they are working on furlough, and may need to downsize. A performance plan has been requested of them.**  
**Reliable Polymer Services has a new client contract and production has turned around and doing well.**  
**Orbital Insulation is planning a ribbon cutting for the 27<sup>th</sup> of August for the warehouse that the EDC was able to assist them with.**  
**Mr. Batiste informed that he will be working closely with the Chamber of Commerce to assist the local businesses in succeeding.**
- 2) Update on Spur 93 Business Park Landscaping  
**This item was not discussed.**
- 3) Monthly Financial Report  
**Ms. Staley gave a brief update as to the EDC Finances.**
- 4) AR Loans Update  
**Ms. Staley informed the Board that Gerner Gertz has been working with Abraham Mfg., will report soon.**  
**Mc-O Construction is four months behind on payments and owes approximately \$4,600.**  
**SETX Clearwater is 10 months behind in payments and owes \$17,000.**  
**Donshe Pottery is 2 months behind in payments and owes approximately \$400.**
- 5) Port Arthur Business Journal  
**Mr. Batiste reported that Port Arthur will now have a Business Journal with the assistance of the Chamber of Commerce.**
- 6) Economic Trends – July 2010  
**Mr. Batiste presented the Board with the Economic Trends printed by the Regional Economic Development Initiative (REDI).**
- 7) Update on Engineering Service at 501 Procter Street  
**Mr. Batiste reported that the engineers should have floor plans ready hopefully to present at the next regular board meeting.**
- 8) Appointment to Downtown Sub-Committee  
**The Chairman of the Board appointed Keith Daws to the Sub-Committee.**

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

1. **Section 551.071 Government Code – To discuss with Attorney Guy Goodson pending and potential litigation.**

**2. Section 551.072 Government Code** – To deliberate the purchase, exchange, lease, or value of real property.

a. 501 Procter Street

**3. Section 551.087 Government Code** – To discuss Incentives for EDC Prospects.

a. MPW Industrial Services

b. Call Center

**4. Section 551.074 Government Code** – To discuss personnel matters of Port Arthur Section 4A Economic Development Corporation.

a. CEO Evaluation

**The Board retired to executive session at 7:00 p.m. to discuss the above mentioned items, and reconvened at 7:39 p.m.**

**Action was taken on the following items:**

**Non-Consent Item 4**

4. To discuss and consider for approval the purchase of property located at 501 Procter Street in Downtown Port Arthur.

**A motion was made by Kerry Thomas and seconded by Kaprina Frank to direct the EDC CEO to move forward with the purchase of property at 501 Procter Street. The vote was unanimous. Motion carried.**

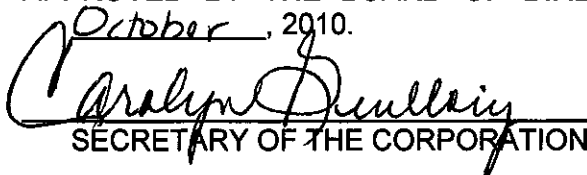
**X. FUTURE AGENDA ITEMS OR REQUESTED REPORTS**

**1. Keith Daws – To reconsider Resolution 10-270 as it states 35% of the employees shall be Port Arthur residents.**

**XI. ADJOURNMENT OF MEETING**

A motion was made to adjourn the meeting by Kaprina Frank and seconded by Kerry Thomas. It was adopted unanimously. The meeting was adjourned at 7:43 p.m.

APPROVED BY THE BOARD OF DIRECTORS ON THE 4<sup>th</sup> DAY OF October, 2010.

  
SECRETARY OF THE CORPORATION