

**MINUTES
CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION
REGULAR MEETING
4173 39th Street, Port Arthur, Texas
October 18, 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, October 18, 2010. The meeting was called to order at 6:05 p.m.

II. ROLL CALL, INVOCATION & PLEDGE

The following Board Members were present:

Carolyn Guillory, Aletha Kirkwood, Richard Wycoff, Kerry Thomas, Keith Daws, and Eli Roberts.

The invocation was given by Keith Daws.

The Pledge of Allegiance followed the Invocation

III. MINUTES
October 4, 2010

A motion was made by Kerry Thomas and seconded by Eli Roberts to approve the minutes of October 4, 2010. The vote was unanimous. Motion passed.

IV. PETITIONS & COMMUNICATIONS

A. PRESENTATIONS

1. Luke Guidry – Land Sale at Highway 347 and Jimmy Johnson Blvd.
Mr. Guidry came before the Board to offer a sale of 3.88 acres of land along Highway 347 in the amount of \$200,000. He states the land is zones as heavy industrial which requires 8 inch water lines; the land currently has 6 inch water lines. Financially he will not be able to replace the water lines for heavy industrial purposes, which is the reason for his intent to sale the land.

B. COMMUNICATIONS

1. EDC Attorney, Guy Goodson – Applications for Economic Incentive
Mr. Goodson submitted a letter regarding applications for economic incentives stating that the matter of whether the local refineries are considered to be within Port Arthur city limits has come up in regards to economic incentive contract requirements. His letter

states that the refineries are in fact not considered to be within Port Arthur city limits.

2. EDC Attorney, Guy Goodson – First Source Agreement
Mr. Goodson submitted a letter in response to inquiries from Board Member Keith Daws regarding the First Source Agreement. He states that the Agreement has been approved and set in place by Council, and if there are any revisions desired by the Board, it will need to come back for consideration on the next board meeting agenda.

C. SPEAKERS

None

V. UNFINISHED BUSINESS

1. To discuss and consider approving an invoice in the amount of \$2,679.00 from Trey's Tractor Service for cutting of the Spur 93 Business Park grass September 23-28th, 2010.
A motion was made by Eli Roberts and seconded by Kerry Thomas to approve the invoice submitted by Trey's Tractor Service. The vote was unanimous. Motion carried.
2. To discuss and consider an advertisement through the Martin Luther King, Jr. Support Group of Southeast Texas Annual Celebration Brunch.
A motion was made by Keith Daws and seconded by Aletha Kirkwood to accept the recommendation by the Advertising Committee to send a letter of denial to the MLK Support Group. The vote was 5-1. Eli Roberts voted no. Motion passed.
3. To discuss and consider an advertisement through the Greater Port Arthur Chamber of Commerce 2011 Community Calendar.
A motion was made by Carolyn Guillory and seconded by Keith Daws to approve an advertisement through the Chamber of Commerce's 2011 Community Calendar in the amount of \$500. The vote was 5-1. Eli Roberts voted no. Motion passed.

VI. CONSENT AGENDA ITEMS

1. To discuss and consider Monthly Estimate No. 4 in the amount of \$334,652.21 from Excavators & Constructors, Ltd. for the Water, Sanitary Sewer, Paving and Drainage Facilities for the Spur 93 Port Arthur Business Park – Phase II, Contract 3.
A motion was made by Keith Daws and seconded by Carolyn Guillory to approve payment of Monthly Estimate No. 4 in the amount of \$334,652.21 to Excavators & Constructors. The vote was unanimous. Motion carried.

2. To discuss and consider approving payment in the amount of \$7,087.50 to K's & D's Industrial Training for the enrollment of 15 students into the industrial training course.
Kerry Thomas recused himself from consideration and action on this item.
A motion was made by Eli Roberts and seconded by Keith Daws to approve the first payment to K's & D's Industrial Training Center in the amount of \$7,087.50. The vote was unanimous. Motion carried.
3. To discuss and consider payment in the amount of \$6,125.00 to the Port Arthur Historical Society for reimbursement under the Operation Downtown Grant.
Keith Daws recused himself from consideration and action on this item.
A motion was made by Eli Roberts and seconded by Kerry Thomas to approve reimbursement to the Port Arthur Historical Society for the amount of \$6,125.00. The vote was unanimous. Motion carried.

VII. NON-CONSENT AGENDA ITEMS

1. To discuss and consider a Memorandum regarding the Fiscal Year 2010-2011 Budget.
 - a. PAEDC Newsletter
 - b. Highway 73 Business Park Sign
 - c. National Development Council Technical Services
 - d. City of Port Arthur Revolving Loan Fund**The Board instructed staff to come back with a recommendation on addressing the budget issues with regard to the four above stated items. No action was taken.**
2. To discuss and consider an advertisement opportunity through the National Association of Women in Construction (NAWIC) Region 7 Annual Planning Conference.
A motion was made by Keith Daws and seconded by Eli Roberts to accept a recommendation by the Advertising Committee to send a letter of denial to the National Association of Women. The vote was unanimous. Motion carried.
3. To discuss and consider appropriating funds for Process Operation Pre-Assessment job training costs.
Mary Hammon and Ira McNeil from Southeast Texas Workforce Solutions were present to give information regarding this item and to answer questions from the Board.
A motion was made by Eli Roberts and seconded by Kerry Thomas to approve appropriating funds in the amount of \$45,150.00 as projected costs by the Workforce for the Port Arthur ready to Work Industrial Project. The vote was unanimous. Motion carried.

4. To discuss and consider a sale of two acres of land in the Spur 93 Business Park to J.Z. Russell Industries, Inc.
A motion was made by Kerry Thomas and seconded by Eli Roberts to approve the sale of two acres of land in the Spur 93 Business Park to J.Z. Russell Industries, Inc. The vote was unanimous. Motion carried.
5. To discuss and consider approving an Economic Incentive Agreement and Milestone Schedule with Tyco Valves & Controls, LP.
A motion was made by Eli Roberts and seconded by Carolyn Guillory to table this item until Tyco has reviewed the terms and conditions of the agreement. The vote was unanimous. Motion carried.

VIII. REPORTS

1. 2011 Regular Board Meeting Calendar
The 2011 Board Meeting Schedule has been set and was given to the Board Members.
2. Report on return of investment of the Spur 93 Business Park
Report was presented to the Board by staff.
3. Report on bid for the Road Construction – Phase II Contract 4
Mr. Batiste informed the Board that an invitation to bid has been announced through the Port Arthur News this past weekend.
4. Update on financing of renovations of 501 Procter Street
Mr. Batiste gave an update as to the status of the research being done by the Bond Counselor regarding this matter.
5. Report on Mc-O Construction's contractual obligations
This report was taken into executive session for discussion.

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. J.Z. Russell Industries, Inc.
 - b. Land at Hwy 347 and Jimmy Johnson Blvd.
3. **Section 551.074 Government Code** – To discuss personnel matters of Port Arthur Section 4A Economic Development Corporation.
 - a. CEO Evaluation
4. **Section 551.087 Government Code** – To discuss Incentives for EDC Prospects.
 - a. Tyco Valves & Controls, LP

The Board retired to executive session at 7:15 p.m. to discuss the above mentioned items, and reconvened at 7:50 p.m.

X. FUTURE AGENDA ITEMS OR REQUESTED REPORTS

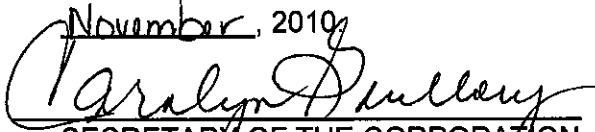
1. Floyd Batiste – Presented the Board with a draft of the 2011 – 2015 Economic Development Implementation Plan. He asked that the Board review it and submit suggestions for change if any. It will be on the next agenda for consideration and action.
2. Kerry Thomas – Report from The Regional Economic Development Initiative (REDI)
Report from National Development Council
3. Keith Daws – Amendment to the First Source Agreement
4. Richard Wycoff – Information on combination of the contracts for grass cutting at the two Business Parks.

XI. ADJOURNMENT OF MEETING

A motion was made to adjourn the meeting by Kerry Thomas and seconded by Keith Daws. It was adopted unanimously. The meeting was adjourned at 7:58 p.m.

APPROVED BY THE BOARD OF DIRECTORS ON THE 1st DAY OF

November, 2010



SECRETARY OF THE CORPORATION