

ORDINANCE NO. 06-02

AN ORDINANCE AMENDING THE 2005/2006 FISCAL BUDGET AS IT PERTAINS TO THE RECEIPT OF \$340,388 IN FUNDS FROM THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION

WHEREAS, on December 20, 2005, the City Council approved Resolution No. 05-376 authorizing the execution of an agreement between the City and the EDC for past and future administrative charges; and

WHEREAS, the agreement is for the City of Port Arthur Section 4A Economic Development Corporation to pay the City an Administrative Charge in the amount of \$300,000, plus additional moneys of 4% of incentive agreements, as well as additional moneys for other services provided by the City; and,

WHEREAS, the City can amend its budget for emergencies under Section 102.009, and for municipal purposes under Section 102.010 Local Government Code; and,

WHEREAS, as denoted in Exhibit "A", the City will at this time receive \$340,388.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT ARTHUR, TEXAS:

Section 1. That the facts and opinions in the preamble are true and correct.

Section 2. That the 2005/2006 fiscal year budget of the

City is herein amended as to allocate \$340,388 to the West Side Development Project, and if such funds are not utilized in this fiscal year, the City Council requests the City Manager to place this allocation in the proposed 2006/2007 fiscal year budget.

Section 3. That a copy of the caption of this Ordinance be spread upon the Minutes of the City Council.

READ, ADOPTED AND APPROVED on this 17th day of January, A.D., 2006, at a Regular Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:
AYES: Mayor Ortiz; Mayor Pro Tem Thompson;
Councilmembers Lewis, Barker, Henderson
Flood, Beard and Prince.

NOES: None.

Oscar D. Ortiz
MAYOR

ATTEST:
Evangelini Green
CITY SECRETARY

APPROVED AS TO FORM:
Mark Sobolew
CITY ATTORNEY

APPROVED FOR ADMINISTRATION:
[Signature]
CITY MANAGER

APPROVED AS TO THE AVAILABILITY OF FUNDS:
Deborah Echols on behalf of
DIRECTOR OF FINANCE

EXHIBIT "A"

CITY OF PORT ARTHUR, TEXAS

MAYOR AND CITY COUNCIL COMMUNICATIONS

Date: 1/10/05	Reference No.	Subject Approval of Administrative Charge Transfer from EDC to Capital Projects Fund – West Side Development Project	Page 1 of 1
-------------------------	----------------------	--	-----------------------

RECOMMENDATION:

Presented for City Council consideration and approval is the first billing to the Economic Development Corporation for Administrative Charges, pursuant to Resolution 05-376. The City Council indicated the desire, though took no official action, to dedicate these funds to the West Side Development Project.

BACKGROUND:

On December 20, 2005, the City Council approved Resolution 05-376 authorizing the execution of an agreement between the City and the EDC for past and future administrative charges. Under the agreement, the EDC would pay the following:

- For the period October 1, 2002 through September 30, 2005 - **\$300,000**.
- For the 2005-2006 year, 4% of all EDC project incentive agreements that are approved during the current fiscal year. Payment shall be made within 90 days of the signing of the contract.
 - On December 21, 2005 the EDC executed the agreement with Pleasure Island Shrimp House valued at \$750,000; the administrative charge (4%) is **\$30,000**.
- The EDC will pay \$41,552.56 for the cost of work related to ongoing projects as delineated in the agreement. This amount will be paid quarterly. The charge for the first quarter is **\$10,388**.

The total amount due the City, from the EDC at this time is **\$340,388**, and the Finance Department requests Council approval of this payment, and the designation of this payment for the West Side Development project, as discussed previously by the Council.

Rebecca Underhill

Rebecca Underhill, CPA
Director of Finance

Prepared by:	Disposition by Council:	Processed:
Approved by:	<input checked="" type="checkbox"/> Approve <input type="checkbox"/> Other (Describe)	City Secretary Date: