

RESOLUTION NO. 06-053

**A RESOLUTION AUTHORIZING A PROFESSIONAL  
SERVICE CONTRACT WITH K STRATEGIES GROUP LLC**

**WHEREAS**, the City of Port Arthur desires to enter into Phase I of a Professional Service Contract with K Strategies Group, LLC; and,

**WHEREAS**, the total cost for Phase I shall not exceed \$36,000; and,

**WHEREAS**, as part of Phase I, K Strategies Group LLC will develop and implement a local program as (1) to increase the business opportunities for local Port Arthur businesses, (2) to develop and implement a local HUB and SBE Program, (3) to encourage the expansion of local businesses; and (4) to encourage the retention of Port Arthur residents as employees, as delineated in the proposal attached hereto as Exhibit "A".

**WHEREAS, NOW THEREFORE, BE IT RESOLVED 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 City Manager is herein authorized to enter into a Professional Service Contract with K Strategies Group, LLC, as delineated in the proposal attached hereto as Exhibit "A"

as to Phase I only, and as to the expenditure by the City of Port Arthur of up to \$18,000.

**Section 3.** That this Resolution is contingent on the participation by the City of Port Arthur Section 4A Economic Development Corporation in Phase I, at a cost not to exceed \$18,000. Said funds can, if approved by the City of Port Arthur Section 4A Economic Development Corporation, be obtained from the \$17,167.50 credit that was left over from the BW Architects project as to funds advanced by the City of Port Arthur Section 4A Economic Development Corporation and from other available EDC funds.

**Section 4.** That the combined participation of the City of Port Arthur Section 4A Economic Development Corporation and the City shall not exceed \$36,000.

**Section 5.** That the start date shall be ten (10) days after the proposed Agreement is approved and funded by the City of Port Arthur Section 4A Economic Development Corporation.

**Section 6.** That the invoices from K Strategies Group, LLC shall be detailed as to the dates and hours incurred, the nature of the meetings, and the work performed.

**Section 7.** That if the EDC does not agree to this project by September 30, 2006, then this Resolution shall be void.

**Section 8.** That a copy of the caption of this Resolution shall be spread upon the Minutes of the City Council.

READ, ADOPTED AND APPROVED on this \_\_\_\_ day of \_\_\_\_\_, A.D., 2006, at a Special Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES: Mayor Ortiz,  
Councilmembers Lewis, Barker, Henderson,  
Flood, Beard, Williamson and  
Sinegal.;  
NOES: None.

Oscar A. Ortiz  
MAYOR

**ATTEST:**

Terrance  
CITY SECRETARY (Assistant)

**APPROVED AS TO FORM:**

Mark Scholz  
CITY ATTORNEY

**APPROVED FOR ADMINISTRATION:**

[Signature]  
CITY MANAGER

**APPROVED AS TO THE AVAILABILITY OF FUNDS:**

Rebecca Undermyer  
DIRECTOR OF FINANCE

**EXHIBIT "A"**



## **K Strategies Group LLC**

**Proposal for the  
City of Port Arthur, Texas  
And for the  
City of Port Arthur Section 4A Economic  
Development Corporation**

**To Develop and Implement a  
Local Program as (1) to increase the business  
opportunities for local Port Arthur  
businesses, (2) to develop and implement a  
local HUB and SBE Program, (3) to  
encourage the expansion of local businesses,  
and (4) to encourage the retention of Port  
Arthur residents as employees**



## **K STRATEGIES GROUP LLC**

K Strategies Group LLC is a public affairs firm providing public relations, Minority and Women Business Enterprise (M/WBE) programs, and community affairs services.

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Website: [www.kstrategies.com](http://www.kstrategies.com)

## **INTRODUCTION**

K Strategies Group LLC is presenting this proposal to the City of Port Arthur and to the City of Port Arthur Section 4A Economic Development Corporation for services as (1) to increase the business opportunities for local Port Arthur businesses, (2) to develop and implement a local HUB and SBE Program, (3) to encourage the expansion of local businesses, and (4) to encourage the retention of Port Arthur residents as employees

Creating a local HUB and SBE for the City of Port Arthur will increase economic development within the City of Port Arthur and increase business and employment opportunities for minorities, women and small business entrepreneurs.

The HUB and SBE program will benefit the local community by:

- Growing and increasing the number of local HUB and SBE firms.
- Developing new local HUB and SBE firms.
- Increasing the capacity of local HUB and SBE firms.
- Increasing employment opportunities for minorities, women and local residents and local Port Arthur businesses.
- Increasing economic development in disadvantaged areas of the City.
- Ensuring all Port Arthur residents has access to business, contract and employment opportunities.

K Strategies has created Minority and Women Business Enterprise (M/WBE), HUB and SBE programs for major government entities and corporations exceeding 30% participation on multi-million dollar projects. Our initiatives result in great success for our clients and demonstrate their commitment to the local community.



## **APPROACH FOR PROGRAM SERVICES**

K Strategies is proposing a two phase approach for services to develop a local HUB and SBE program for the City of Port Arthur, Texas. The services for Phase I will include evaluating current City, City of Port Arthur Section 4A Economic Development Corporation and industrial expansion policies on minority and local business participation and creating a program to increase opportunities for local minority, women, small businesses and local Port Arthur companies. Services for Phase II will consist of implementing and directing the local HUB, SBE and local Port Arthur business expansion program for the City of Port Arthur and for the City of Port Arthur Section 4A Economic Development Corporation.

### **PHASE I - SCOPE OF SERVICES**

Phase I – Developing a local HUB, SBE and local Port Arthur business expansion program to increase opportunities for business expansion as well as the increase in primary jobs as defined in Article 5190.6 V.T.C.A.

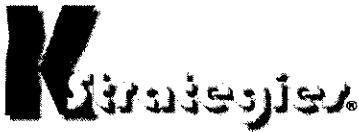
#### **1) Evaluation**

K Strategies will conduct an evaluation of current City, City of Port Arthur Section 4A Economic Development and industrial expansion policies and local initiatives encouraging minority, women, small business participation and local Port Arthur business retention and expansion which will also include the following tasks:

- Review purchasing policies and procedures;
- Review contract language of City and EDC contracts and “in lieu of tax” contracts;
- Interview City and EDC officials and staff;
- Interview companies with EDC and City contracts;
- Interview local minority, women, small businesses and local Port Arthur businesses;
- Review outreach efforts;
- Evaluate compliance efforts;
- Meet with the Economic Development Corporation, the local chamber, business groups and local minority and small business assistance centers.

After a full evaluation of the present policies and services, K Strategies will create a comprehensive report evaluating the effectiveness of current City and EDC policies and local resources in gaining contract opportunities for local minority, women, small businesses and local Port Arthur businesses.





Deliverable:

Comprehensive report evaluating the effectiveness of current City and EDC policies to expand the usage of HUB, SBE and other policies as to increase the participation of local minority, women, small businesses and local Port Arthur businesses as well as the increase in primary jobs for Port Arthur residents.

## **2) Creation of Program**

Creation of a program to increase the business opportunities of local minority, women, small businesses and local Port Arthur businesses as well as the increase in primary jobs for Port Arthur residents and to increase the participation of local businesses in the HUB and SBE certification programs.

K Strategies will use the findings in the evaluation report to create a local HUB and SBE program for the City of Port Arthur to effectively create and increase opportunities for local minority, women and small businesses as well as a program to increase the business opportunities of local Port Arthur businesses and to increase the primary jobs for Port Arthur residents.

K Strategies anticipates developing the following initiatives in the HUB and SBE program:

- Creating a local HUB and SBE database
- HUB and SBE certification assistance
- Budget to implement program
- Comprehensive outreach program
- Mentor Protégé Program
- Business development seminars
- 2<sup>nd</sup> Tier participation program
- Compliance monitoring and reporting.

K Strategies will create a comprehensive HUB and SBE and other programs for the City of Port Arthur to increase and achieve increased business activities for minority, women and small business participation.

Deliverable: Comprehensive Written Program as to increase the participation of local businesses in the HUB and SBE and in other Programs as well as to increase their participation in local industrial expansions and their opportunities both locally, statewide and with federal contracts.



**Fee Structure for Phase I**

1) Evaluation:

- Duration of services - 60 days
- Deliverable – Comprehensive Evaluation Report.
- Fee – Hourly rate not to \$22,000
- Billed in 30 day increments to be paid within 15 days of the invoice

2) Creation of Local HUB and SBE and other local expansion programs:

- Duration of Services – 30 days
- Deliverable – Comprehensive Local HUB and SBE Program and other local expansion programs.
- Fee – Hourly rate not to exceed \$14,000

Total time duration for services in Phase 1.....90 days

Total fees for services in Phase I .....\$36,000.00

Billed in 30 day increments to be paid within 15 days of the invoice



## PROJECT STAFFING FOR PHASE I

K Strategies project staffing for Phase I.

### Project Director

The Program Director will conduct the evaluation of current City policies and procedures. She will use her extensive experience and knowledge in creating and directing M/WBE programs to develop a comprehensive evaluation report on the effectiveness of current City and EDC policies. She will use the findings in the evaluation report to create the local HUB and SBE Program and other local expansion programs. She will work with the City, EDC and other sources to develop a funding system to implement the HUB and SBE Program and the local expansion program..

The Project Director will report all findings and deliverables to the City Council and to the EDC Board of Directors.

Hourly fee - \$185.00

### Project Coordinator

The Project Coordinator will assist in conducting interviews and evaluating City and EDC information. She will assist in creating the compliance monitoring and reporting system. She will also assist in developing the funding system to implement the program.

Hourly fee - \$125.00

### Project Administrative Assistant

The Project Administrative Assistant will assist in developing documents, creating correspondence, follow up services, billings, and other miscellaneous tasks.

Hourly fee - \$65.00

## PHASE II - SCOPE OF SERVICES

*This phase will be implemented once approval is obtained from both the City Council and from the City of Port Arthur Section 4A Economic Development Corporation Board of Directors.*

To provide services to implement and direct the local HUB and SBE and other business expansion and primary job expansion programs for the City of Port Arthur and for the City of Port Arthur Section 4A Economic Development Corporation. These services will be fully described in Phase I.

K Strategies anticipates services to implement the City's and the EDC local HUB and SBE and other business expansion and primary job expansion programs could include:

- Creating a local HUB and SBE database
- HUB and SBE certification assistance
- Program budget
- Comprehensive outreach program
- Mentor Protégé Program
- Business development seminars
- 2<sup>nd</sup> Tier participation program
- Compliance monitoring and reporting.

Deliverables:

- HUB and SBE database.
- Quarterly program activity reports.
- Quarterly HUB and SBE participation reports.
- Mentor Protégé Program.
- Workshops and seminars.
- Program Website
- Contract monitoring as to activities of companies to hire locally

The time duration to implement and direct the program will be developed in Phase I.

From past experience, we believe a program to increase opportunities for minority, women and small business and local businesses requires at least 2 – 5 years of services to demonstrate a matrix of success and effectiveness.

The program staffing requirements and services fees to implement and direct the program will be fully described in the report in Phase I. K Strategies anticipates having some local full-time staff to assist in implementing the local HUB and SBE program.



## CONCLUSION

K Strategies will work closely with the City Council, the City of Port Arthur Section 4A Economic Development Corporation and their staff to create a local HUB and SBE and other programs that will successfully increase opportunities for local City of Port Arthur firms and to increase primary jobs.

The local HUB and SBE and other programs will bring the City of Port Arthur and local corporations together to increase economic development efforts in Port Arthur and grow local minority, women and small businesses.

The philosophy of K Strategies is to work as a cohesive team with our client and project partners to develop a project the entire community can be proud of and feel ownership in. Our services will demonstrate that local HUB and SBE participation and inclusion is important in the City of Port Arthur, Texas.

We look forward to working with the City of Port Arthur and the City of Port Arthur Section 4A Economic Development Corporation and becoming a local partner helping to advance economic development efforts in the Port Arthur area.



By signing the proposal herein, the City of Port Arthur and the City of Port Arthur Section 4A Economic Development Corporation are herein agreeing to Phase I, with a start date of \_\_\_\_\_, 2006.

Signed and Agreed to on the \_\_\_\_\_ day of \_\_\_\_\_ 2006

\_\_\_\_\_  
City of Port Arthur

Signed and Agreed to on the \_\_\_\_\_ day of \_\_\_\_\_ 2006

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary  
City of Port Arthur Section 4A Economic Development  
Corporation

Signed and Agreed to on the \_\_\_\_\_ day of \_\_\_\_\_ 2006

\_\_\_\_\_  
K Strategies Group LLC