

RESOLUTION NO. 07-023

**A RESOLUTION APPROVING A TRAINING
GRANT (ECONOMIC GRANT INCENTIVE
AGREEMENT) BETWEEN LAMAR STATE
COLLEGE - PORT ARTHUR AND THE CITY OF
PORT ARTHUR SECTION 4A ECONOMIC
DEVELOPMENT CORPORATION**

WHEREAS, the City Council deems it in the public interest to authorize the City of Port Arthur Section 4A Economic Development Corporation to enter into a training grant agreement (economic incentive agreement) with Lamar State College - Port Arthur; and

WHEREAS, Lamar State College - Port Arthur will provide 96 to 100 hours of construction worker training for planned expansions through National Center for Construction Education and Research (NCCER) Introductory Craft Skills Program to Port Arthur high school seniors and Port Arthur residents unemployed and underemployed; and

WHEREAS, on November 1, 2006, the Port Arthur Section 4A Economic Development Board found that the training to be provided by Lamar State College - Port Arthur is suitable to promote business enterprises moving to or expanding in Port Arthur, particularly the petrochemical industries, who need skilled workers during the construction and operations of the petrochemical expansion; and

WHEREAS, the Port Arthur Section 4A Economic Development Board has determined that a monetary incentive will attract candidates to the training program who could otherwise not afford such a large time commitment; and

WHEREAS, the Port Arthur Section 4A Economic Development Board agreed to pay each Port Arthur High School Senior student and Port Arthur resident, unemployed and underemployed, \$200 upon completion of the Introductory Craft Skills Program from the National Center for Construction Education and Research (NCCER); and

WHEREAS, Lamar State College – Port Arthur agrees to provide Port Arthur Section 4A Economic Development Corporation with sufficient documentation to show successful completion of the Program for student incentives.

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

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

Section 2. That the City of Port Arthur Section 4A Economic Development Corporation is herein authorized to enter into a training grant agreement (economic incentive agreement) with Lamar State College – Port Arthur, and the President and Secretary of the City of Port Arthur Section 4A Economic Development Corporation are authorized to sign the agreement in substantially the same form as attached hereto as Exhibit “A”, with paragraph 12 stating that, “In the event of default of any of the obligations of the Lamar detailed herein, the PAEDC may, at its sole and exclusive option, withhold and/or disallow further PAEDC grant payments or incentives to the Lamar.”

Section 3. That a copy of this Resolution shall be spread upon the Minutes of the City Council.

READ, ADOPTED AND APPROVED on the 16th day of January
A.D. 2007, 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 Price;
City Council: Lewis, Baker, Henderson, Flood,
Beard and Sinegal.

NOES: None.

Oscar D. Ortiz
OSCAR ORTIZ, MAYOR

ATTEST:

Evangeline Green
EVANGELINE GREEN, CITY SECRETARY

APPROVED AS TO FORM:

Mark Sokolow
MARK T. SOKOLOW, CITY ATTORNEY

Ang N. Dodson with perm/RMN
GERMER & GERTZ, L.L.P.

EXHIBIT "A"

TRAINING GRANT AGREEMENT BETWEEN
THE CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION
AND
LAMAR STATE COLLEGE – PORT ARTHUR

Executive Summary

The City of Port Arthur Section 4A Economic Development Corporation (“PAEDC”) Board has found that the training of construction workers for plant expansion is necessary to promote business enterprises moving to or expanding in Port Arthur, particularly new and expanded petrochemical industries. For that reason, PAEDC agrees to pay each Port Arthur senior high school student and Port Arthur resident, unemployed and underemployed, two hundred dollars (\$200.00) upon completion of the National Center for Construction Education and Research (“NCCER”) Introductory Craft Skills Program (“the Program”). Port Arthur high school seniors are granted priority. The maximum incentive funding by the PAEDC to the Training Grant Agreement shall be twenty thousand dollars (\$20,000).

Lamar State College – Port Arthur (“Lamar”) has a plan to enroll Port Arthur high school seniors and those unemployed and underemployed Port Arthur residents in the NCCER Introductory Craft Skills Program for training as construction workers for plant expansions. Lamar agrees to provide records sufficient to show successful completion of the Program for student incentives.

TRAINING GRANT BETWEEN

THE CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION
AND

LAMAR STATE COLLEGE – PORT ARTHUR

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ECONOMIC DEVELOPMENT GRANT AGREEMENT

BETWEEN

**THE CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION
AND**

LAMAR STATE COLLEGE – PORT ARTHUR

RECITALS

(1) WHEREAS, on consideration for business deciding where to locate a new or expanded business enterprise is the availability of workers with the proper knowledge and skill set;

(2) WHEREAS, Section 2(11)(B) of the Development Corporation Act of 1979 authorizes expenditures on job training by the City of Port Arthur Section 4A Economic Development Corporation (“PAEDC”) if the PAEDC Board finds the expenditure to be “required or suitable for the promotion of development and expansion of business enterprises and other enterprises....”;

(3) WHEREAS, Lamar State College – Port Arthur (“Lamar”) is to provide 96 to 100 hours of construction worker training for plan expansions through the National Center for Construction Education and Research (“NCCER”) Introductory Craft Skills Program (“Program”) to Port Arthur high school seniors and Port Arthur residents unemployed and under-employed;

(4) WHEREAS, on November 1, 2006, the PAEDC Board found that the training to be provided by Lamar is suitable to promote business enterprises moving to or expanding in Port Arthur, particularly petrochemical industries, who need skilled workers during the construction and operation of the petrochemical plants;

(5) WHEREAS, the PAEDC has determined that a monetary incentive will attract candidates to the training program who could otherwise not afford such a large time commitment;

(6) WHEREAS, on November 1, 2006, the PAEDC Board approved a total expenditure of \$200,000 for job training to prepare Port Arthur high school seniors and Port Arthur residents unemployed and under-employed for jobs in new or expanding local industries; and

(7) WHEREAS, the PAEDC desires to set forth in this Agreement the terms and conditions for PAEDC to provide a training grant to Lamar for the purpose of providing a stipend to attract good candidates, who will be successfully placed in local industry.

NOW THEREFORE, the parties agree as follows:

CONTRACT DATES

CONTRACT START DATE

1. This Economic Development Grant Agreement ("Agreement") is entered into with an effective date of January 14, 2007, but in no case later than May 17, 2007, by and between PAEDC and the City.

CONTRACT END DATE

2. This contract expires 30 days after both parties perform fully, subject to earlier termination or extension, voluntary or involuntary, as provided herein.

PARTIES

3. PAEDC located at 4173-39th Street, Port Arthur, Texas 77642, is a not for profit corporation. It is duly authorized to do business in the State of Texas under Section 4A, Article 5190.6 V.T.C.A. (the Development Corporation Act of 1979) and duly authorized by Resolution of the City Council of the City of Port Arthur to enter into this contract. So authorized and as provided by the PAEDC laws, the President and Secretary of the PAEDC Board have the authority to execute this contract.

4. The City is a Texas municipality. City Hall is located at 444 4th Street, P.O. Box 1089, Port Arthur, Texas 77641-1089.

CONDITIONS PRECEDENT

5. This contract has no legal consequences unless and until both the PAEDC Board and the City of Port Arthur City Council approve the contract in its final form.

PROMISED PERFORMANCE

6. The parties agree to perform as follows.

(a) PERFORMANCE BY PAEDC

At the end of each training session, and within 60 days of being invoiced, PAEDC will pay each Port Arthur senior high school student or Port Arthur resident, unemployed and underemployed, two hundred dollars (\$200) upon successful completion of the National Center for Construction Education and Research ("NCCER") Introductory Craft Skills Program ("the Program") at Lamar State College – Port Arthur ("Lamar"); however, in no case will PAEDC pay more than twenty thousand dollars (\$20,000), which is sufficient for one hundred (100) trainees.

(b) PERFORMANCE BY LAMAR STATE COLLEGE – PORT ARTHUR

- (1) Lamar shall recruit eligible senior high school Port Arthur students and Port Arthur residents, unemployed and underemployed, for enrollment in the National Center for Construction Education and Research Introductory Craft Skills Program.
- (2) Lamar shall provide PAEDC proof of completion certificates for Port Arthur senior high school students and Port Arthur residents, unemployed and underemployed, and with reference to this Agreement.

PAEDC'S CONDITIONAL OBLIGATIONS AND LIMITED LIABILITY

7. The PAEDC's sole liability/obligation shall be to Lamar and shall be limited to the training incentive detailed in this Agreement. The PAEDC shall not be liability, in contract or otherwise, for any expense, expenditure or cost incurred by or on behalf of Lamar related to the training made the basis of this Agreement.

RECORDS / INSPECTION / PAEDC AUDIT

8. All records pertinent to this Agreement shall be retained by Lamar.
9. Upon written request, Lamar shall provide PAEDC with all reports reasonably necessary for PAEDC compliance with the Development Corporation Act of 1979 (Article 5190.6 V.T.C.A.)

CHANGES AND AMENDMENTS

10. Any alterations, additions, or deletions to the terms of this Agreement shall be by amendment in writing and executed by all parties to this Agreement and approved by both the PAEDC Board and the City Council.

11. Any alterations, additions, or deletions to the terms of this Agreement which are required by changes in Federal, state or local law are automatically incorporated into this Agreement without written amendment hereto, and shall become effective on the date designated by such law or regulation.

DEFAULT / TERMINATION

12. In the event of default or any of the obligations of the City detailed herein, the PAEDC may, at its sole and exclusive option, withhold and/or disallow further PAEDC grant payments or incentives to the City.

13. In addition to the foregoing, the parties agree that this Agreement may be terminated at any time when both parties agree, in writing, to the terms and conditions of any such voluntary termination.

ORAL AND WRITTEN CONTRACTS / PRIOR AGREEMENTS

14 All oral and written agreements between the parties to this Agreement relating to the subject matter of this Agreement that were made prior to the execution of this Agreement have been reduced to writing and are contained in this Agreement.

15 Exhibit "A", *Training Construction Workers for Plant Expansions*, is hereby made a part of this Agreement for all purposes and constitutes promised performances by Lamar, in accordance with this Agreement.

VENUE

16. For purposes of litigation that may accrue under this Agreement, venue shall be Jefferson County, Texas, where substantially all the performance will occur.

ADDRESS OF NOTICE AND COMMUNICATIONS

City of Port Arthur 4A Economic Development Corporation
4173 39th Street
Port Arthur, Texas 77642
ATTN: Floyd Batiste, Chief Executive Officer

Lamar State College – Port Arthur
P.O. Box 310
Port Arthur, Texas 77641-0310
ATTN: Janis A. Hutchins

CAPTIONS

17. This contract has been supplied with captions to serve only as a guide to the contents. The caption does not control the meaning of any paragraph or in any way determine its interpretation or application.

ATTORNEY APPROVALS

APPROVED AS TO FORM:

Guy Goodson, General Counsel for PAEDC

VERIFIED AS CONSISTENT
WITH CITY COUNSEL RESOLUTION:

Resolution Number: _____

Mark T. Sokolow, City Attorney

CONTRACT EXECUTION

**CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT
CORPORATION**

SIGNED AND AGREED TO on the _____ day of _____, 200__.

By: _____
Richard Wycoff, President

By: _____
Keith Daws, Secretary

Witness

Witness

LAMAR STATE COLLEGE – PORT ARTHUR

SIGNED AND AGREED TO on the _____ day of _____, 200__.

LAMAR STATE COLLEGE – PORT ARTHUR

By: _____
Janis A. Hutchins, Dean of Technical Programs

Witness