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P.R. No. 14789  
06/24/08 mts/gg

RESOLUTION NO. 08-280

**A RESOLUTION APPROVING A PAYMENT NOT TO EXCEED \$15,000, PLUS REIMBURSEMENT FOR OUT-OF-POCKET EXPENSES INCURRED IN CONNECTION WITH CREATING A FOREIGN TRADE ZONE SUBZONE IN THE PORT ARTHUR BUSINESS PARK.**

WHEREAS, the City of Port Arthur Section 4A Economic Development Corporation ("PAEDC") has authorized an agreement with the Port Arthur International Public Port to create a foreign trade zone subzone to include the Port Arthur Business Park; and

WHEREAS, the Port Arthur International Public Port will create a subzone in its foreign trade zone for all or a portion of the Port Arthur Business Park based upon hourly charges for its legal counsel not to exceed \$15,000, plus reimbursement for out-of-pocket expenses incurred as stated in the letter attached hereto as **Exhibit "A"**; and

WHEREAS, the PAEDC at its June 18, 2008, meeting voted to commit payment not to exceed \$15,000, plus reimbursement for out-of-pocket expenses incurred to create the foreign trade subzone.

**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 of Port Arthur Section 4A Economic Development Corporation is herein authorized to commit payment not to exceed \$15,000, plus reimbursement for out-of-pocket expenses incurred to create a foreign trade zone subzone to include the Port Arthur Business Park.

**Section 3.** That the zone can provide for an exemption from duties.

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**Section 4.** That the zone shall not provide for an exemption of ad valorem taxes without the specific approval of the City.

**Section 5.** That a copy of the caption of this Resolution be spread upon the Minutes of the City Council.

READ, ADOPTED AND APPROVED ON THE 1<sup>st</sup> day of July, A.D. 2008, at a Regular Meeting of the City Council of the City of Port Arthur, Texas by the following vote:

AYES: Mayor Prince;

Councilmembers Mayor Pro Tem Chatman;  
Seigler, Albright, Hood, Beard,  
Wise and Henderson.

NOES: None.

Deloris Prince  
DELORIS "BOBBIE" PRINCE, MAYOR

ATTEST:  
Terri Hanks  
TERRI HANKS, ACTING CITY SECRETARY

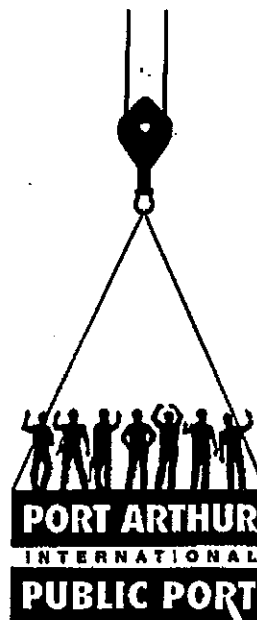
APPROVED:  
Floyd Batiste  
FLOYD BATISTE, EDC CEO

APPROVED AS TO FORM:  
Mark Sokolow  
MARK T. SOKOLOW, CITY ATTORNEY

**EXHIBIT "A"**

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May 28, 2008



Mr. Floyd Batiste, CEO  
Port Arthur Economic Development Corporation  
P. O. Box 3934  
Port Arthur, TX 77642

VIA TELEFAX  
(409)962-4445  
AND REGULAR MAIL

Re: Creation of Foreign Trade Zone Subzone for Port Arthur Industrial Park

Dear Mr. Batiste:

First of all, it was a pleasure meeting with you on May 6 to discuss the possibility of creating a foreign trade zone subzone to include the Port Arthur Industrial Park. Our attorneys have researched the matter and discussed same with representatives of the Foreign Trade Zones Board in Washington. All have concluded that the subzone can be created, and our attorneys look forward to accomplishing same.

Based on their research and discussions with Foreign Trade Zones Board representatives, our attorneys are prepared to move forward with creation of the subzone for a fee to be determined on an hourly basis for hours actually worked, not to exceed \$15,000, plus reimbursement for out-of-pocket expenses incurred in connection therewith. Further, barring any unforeseen complications, the attorneys estimate that the subzone can be created within sixty (60) days from the date on which they are instructed to move forward.

Should you have any questions and/or comments regarding this letter, please do not hesitate to contact me. Otherwise, if the EDC agrees to pay the attorneys' fees and expenses as set forth above and wishes for the attorneys to move forward with creation of the subject subzone, please so indicate by signing and returning to me one (1) copy of this letter.

Thank you for your attention to this matter. I look forward to your favorable reply.

Sincerely,

A handwritten signature in black ink that reads "Floyd Gaspard". The signature is written in a cursive style.

Floyd Gaspard  
Port Director

FG/jmh

AGREED TO AND ACCEPTED THIS THE  
20<sup>th</sup> DAY OF JUNE, 2008:

PORT ARTHUR ECONOMIC DEVELOPMENT CORPORATION

By: *Keith D. Jones*

Its: *President*

cc: Mr. Steve Fitzgibbons  
City Manager  
City of Port Arthur  
P. O. Box 1089  
Port Arthur, TX 77641

Mr. John Johnson  
Carl R. Griffith & Associates, Inc.  
2901 Turtle Creek Drive, Suite 101  
Port Arthur, TX 77642-8077

Mr. Scot E. Sheldon  
Mrs. Leah D. Williams  
Sheldon, Dunham & Edwardson, L.L.P.  
905 Orleans  
Beaumont, TX 77701