

RESOLUTION NO. 09-338

**A RESOLUTION APPROVING CLOSING THE
ECONOMIC INCENTIVE CONTRACT AND LOAN
AGREEMENT BETWEEN BOWHEAD MANUFACTURING
COMPANY AND THE CITY OF PORT ARTHUR SECTION
4A ECONOMIC DEVELOPMENT CORPORATION**

WHEREAS, on July 28, 2005, the City Council of the City of Port Arthur approved Resolution 05-203 authorizing an Economic Incentive Contract and Loan Agreement (the "Agreement") between Bowhead Manufacturing Company, L.L.C. ("Bowhead") and the City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC"); and

WHEREAS, on August 16, 2005, the City Council of the City of Port Arthur approved Resolution 05-246, an Amendment to the Agreement between Bowhead and the PAEDC; and

WHEREAS, on June 15, 2009, the Board of Directors of the PAEDC voted to approve this Agreement as complete, thereby, concluding the Agreement with Bowhead and directing the release of collateral securing the Agreement.

**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 PAEDC is herein authorized to close the Agreement between Bowhead and the PAEDC and to release the collateral under the Agreement.

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

READ, ADOPTED AND APPROVED on this 28th day of July A.D., 2009,

at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES:

Mayor Prince; Mayor Pro Tem Segler
Councilmembers Chatman, Williamson, Wise
and Henderson.

NOES: A Jone.

Deloris Prince
DELORIS "BOBBIE" PRINCE, MAYOR

ATTEST:

T. Hanks
TERRI HANKS, CITY SECRETARY (on behalf of)

APPROVED:

Floyd Batiste
FLOYD BATISTE, PAEDC CEO

APPROVED AS TO FORM:

Val Sokolow
MARK T. SOKOLOW, CITY ATTORNEY
(on behalf of)

BOWHEAD CLOSE-OUT REPORT

Bowhead contract states that they shall distribute \$1,292,500 for a combination of payroll & payments to Magnum over the 5 year term of the contract. They will distribute \$129,250 in 2005, \$258,500 per year for 2006-2009 & \$129,500 in the first half of 2010.

	<u>Payroll & Payments</u>	<u># of Employees</u>	<u># of PA Residents</u>
2005	\$ 180,277.06	3	2
2006	\$ 242,013.93	7	4
2007	\$1,119,931.68	30	14
2008	\$1,047,622.35	27	9

Total	\$2,589,500.00		