

RESOLUTION NO. 10-270

**A RESOLUTION AUTHORIZING THE CITY OF PORT ARTHUR
SECTION 4A ECONOMIC DEVELOPMENT CORPORATION TO
INCORPORATE THE FIRST SOURCE EMPLOYMENT AGREEMENT
WITH ALL NEW GRANT/LOAN/INCENTIVE CONTRACTS**

WHEREAS, at its regular meeting of June 14, 2010, the City of Port Arthur Section 4A Economic Development Corporation ("PAEDC") Board of Directors approved implementation of the First Source Employment Agreement (the "Agreement"); and

WHEREAS, the purpose of this Agreement is to provide services of recruitment, referral and placement of Port Arthur residents by the PAEDC with incentive recipients to ensure that all workforce employment commitments of incentive recipients including the "good faith effort" to employ Port Arthur residents are met and tracked; and

WHEREAS, the PAEDC Board of Directors requires all future incentive contracts provide that 35% of the new hires of the incentive recipients shall be Port Arthur residents; and

WHEREAS, the incentive recipient shall submit to the PAEDC quarterly reports of hiring activity including positions to be filled, total applicants, qualifications and whether met by Port Arthur residents, and employees ultimately hired and whether or not they are Port Arthur residents; and

WHEREAS, the Board of Directors may provide a waiver to employers that can substantiate by tracked statistics that the workforce required is not available within job applicants who are residents of Port Arthur as denoted in the Agreement (**Exhibit "A"**).

**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 Council hereby authorizes the PAEDC to incorporate the First Source Employment Agreement with all new grant/loan incentive contracts to provide a source for the PAEDC and incentive recipient to track the employment activity of incentive recipient to meet their incentive contract commitments.

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

READ, ADOPTED AND APPROVED on this 29th day of June A.D., 2010, at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote: AYES:

Mayor Prince;

Councilmembers Chatman, Segler, Williamson
Hise and Henderson

NOES: None

Deloris Prince
DELORIS "BOBBIE" PRINCE, MAYOR

ATTEST:

Terrill Bellard
TERRI HANKS, CITY SECRETARY (on behalf of)

APPROVED:

Floyd Batiste
FLOYD BATISTE, PAEDC CEO

APPROVED AS TO FORM:



GUY N. GOODSON, PAEDC ATTORNEY

APPROVED AS TO FORM:



VALECIA R. TIZENO, CITY ATTORNEY

EXHIBIT "A"

**CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION
FIRST SOURCE EMPLOYMENT AGREEMENT**

Resolution Number: _____

Project Name: _____

Project Address: _____

Project Contact Person _____

Project Contact Person Phone Number _____

This First Source Employment Agreement (the "Agreement") for recruitment, referral and placement of Port Arthur residents, is between the City of Port Arthur Section 4A Economic Development Corporation, hereinafter referred to as PAEDC, and _____, hereinafter, referred to as EMPLOYER. PAEDC and EMPLOYER with the approval of the City Council of the City of Port Arthur, Texas have executed an incentive contract which shall include adherence to the provisions of this Agreement. Under this Agreement, the EMPLOYER will use PAEDC as its first source for recruitment, referral and placement of new hires or employees for the new jobs created by their Project and will hire 35% Port Arthur residents for all new jobs created.

I. GENERAL TERMS

A. The EMPLOYER will use PAEDC as its first source for the recruitment, referral and placement of employees.

B. PAEDC will provide recruitment, referral and placement services to the EMPLOYER subject to the limitations set out in this Agreement.

C. This Agreement shall take effect when signed by the parties and shall be fully effective for the duration of the incentive contract and any extensions or modifications to the incentive contract.

D. PAEDC and the EMPLOYER agree that for purposes of this Agreement, new hires and jobs created include all EMPLOYER'S job openings and vacancies in the Port Arthur Area created as a result of internal promotions, terminations, and expansions of the EMPLOYER'S workforce, as a result of the Project.

II. RECRUITMENT

A. The EMPLOYER will complete the attached Employment Plan, which will indicate the number of new jobs projected, salary range, and hiring dates. The EMPLOYER will notify PAEDC of its specific need for new employees as soon as that need is identified.

B. Notification of specific needs, as set forth in Section II.A. must be given to PAEDC at least five (5) business days (Monday - Friday) before using any other referral source, and shall include, at a minimum, the number of employees needed by job title, qualification, hiring date, rate of pay, hours of work, duration of employment, and work to be performed.

C. Job openings to be filled by internal promotion from the EMPLOYER'S current workforce need not be referred to PAEDC for placement and referral.

D. PAEDC agrees not to release any relevant information concerning existing employees without the prior written consent of EMPLOYER.

III. REFERRAL

PAEDC will screen and refer applicants according to the qualifications supplied by the EMPLOYER.

IV. PLACEMENT

A. PAEDC will notify the EMPLOYER prior to anticipated hiring dates of the number of applicants PAEDC to be referred. PAEDC will make every reasonable effort to refer at least two qualified applicants for each job opening.

B. The EMPLOYER will make all decisions on hiring new employees but will in good faith use reasonable efforts to select its new hires or employees from among the qualified persons referred by PAEDC.

C. In the event PAEDC is unable to refer the qualified personnel requested, within five (5) business days (Monday - Friday) from the date of notification, the EMPLOYER will be free to directly fill remaining positions for which no qualified applicants have been referred.

Notwithstanding, the EMPLOYER will still be required to hire 35% Port Arthur residents for the new jobs created by the Project.

D. After the EMPLOYER has selected its employees, PAEDC will not be responsible for the employees' actions and the EMPLOYER hereby releases PAEDC, from any liability for employees' actions.

V. TRAINING

PAEDC and the EMPLOYER may agree to develop skills training and on-the-job training programs; the training specifications and cost for such training will be mutually agreed upon by the EMPLOYER and PAEDC and set forth in a separate training agreement.

VI. CONTROLLING REGULATIONS AND LAWS

A. If this Agreement in any manner conflicts with any labor employment laws or governmental regulations, then said laws or regulations shall prevail over the terms, conditions and agreements set forth in this Agreement.

B. PAEDC will make every effort to work within the terms of all collective bargaining agreements to which the EMPLOYER is a party.

C. The EMPLOYER will provide PAEDC with written documentation that the EMPLOYER has provided the representative of any involved collective bargaining unit with a copy of this Agreement and has requested comments or objections. If the representative has any comments or objections, the EMPLOYER will promptly provide them to PAEDC.

VII. EXEMPTIONS

A. Employment openings the contractor will fill with individuals already employed by the EMPLOYER.

B. Job openings to be filled by laid-off workers according to formally established recall procedures and rosters.

C. Suppliers located outside of the Port Arthur Area and who will perform no work in the Port Arthur Area.

VIII. AGREEMENT MODIFICATIONS, RENEWAL, MONITORING, AND PENALTIES

A. If, during the term of this Agreement, the EMPLOYER should transfer possession of all or a portion of its business concerns affected by this Agreement to any other party by lease, sale, assignment, merger, or otherwise, the EMPLOYER as a condition of transfer shall:

1. Notify the party taking possession of the existence of this Agreement.
2. Notify the party taking possession that full compliance with this Agreement is required in order to avoid termination of the incentive contract for the Project.
3. EMPLOYER shall, additionally, advise PAEDC within seven (7) business/calendar days of the transfer. This advice will include the name of the party taking possession and the name and telephone of that party's representative.

B. PAEDC shall monitor EMPLOYER'S performance under this Agreement. The EMPLOYER will cooperate in PAEDC' monitoring effort and will submit a Contract Compliance Form to PAEDC quarterly.

C. To assist PAEDC in the conduct of the monitoring review, the EMPLOYER will make available payroll and employment records for the review period indicated.

D. If additional information is needed during the review, the EMPLOYER will provide the requested information to PAEDC.

E. With the submission of the final request for payment from the Board, the EMPLOYER shall:

1. Document in a report to the Contracting Officer its compliance with the requirement that 35% of the new employees hired by the project be Port Arthur residents; or

2. Submit a request to the Contracting Officer for a waiver of compliance with the requirement that 35% of the new employees hired by the project be Port Arthur residents and include the following documentations:

a. Material supporting a good faith effort to comply;

b. Referrals provided by PAEDC and other referral sources; and

c. Advertisement of job openings listed with PAEDC and other referral sources.

F. The Contracting Officer may waive the requirement that 35% of the new employees hired by the Project be Port Arthur residents, if the Contracting Officer finds that:

1. A good faith effort to comply is demonstrated by the contractor;

2. The EMPLOYER is located outside the Port Arthur Area and none of the contract work is performed inside the Port Arthur Area;

3. The EMPLOYER enters into a special workforce development training or placement arrangement with PAEDC; or

4. PAEDC certifies that insufficient numbers of Port Arthur residents in the labor market possess the skills required by the positions created as a result of the contract.

G. Willful breach of this Agreement by the EMPLOYER, failure to submit the Contract Compliance Report, or deliberate submission of falsified data, may be enforced by the Contracting Officer through either imposition of penalties, including monetary fines of 15% of the total amount economic development incentive awarded or recommendation of termination of the incentive contract.

H. The EMPLOYER and PAEDC, or such other agent as PAEDC may designate, may mutually agree to modify this Agreement.

I. The project may be terminated because of the EMPLOYER'S noncompliance with the provisions of this Agreement.

Dated this _____ day of _____ 20__.

Signed:

Port Arthur EDC

Signature of Employer

Name of Company

Address

Telephone

E-mail

