

RESOLUTION NO. 10-445

**A RESOLUTION APPROVING AN ECONOMIC INCENTIVE
CONTRACT & LOAN AGREEMENT BETWEEN MPW
INDUSTRIAL SERVICES, INC. AND THE CITY OF PORT
ARTHUR SECTION 4A ECONOMIC DEVELOPMENT
CORPORATION**

WHEREAS, MPW Industrial Services, Inc. ("MPW") intends to construct an approximate 35,000-45,000 square foot state of the art industrial water treatment facility and has proposed to locate the industrial water treatment facility (the "Project") on property located within the City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC") Business Park on Spur 93 in Port Arthur, Texas (the "Business Park"); and

WHEREAS, the PAEDC Board of Directors has approved entering into an Economic Incentive Agreement with MPW at their regular Board Meeting of September 13, 2010.

WHEREAS, the City Council deems it in the public interest to authorize the PAEDC to enter into an Economic Incentive Contract & Loan Agreement (the "Agreement") with MPW as set forth in **Exhibit "A"** attached to this Resolution; and

WHEREAS, MPW has agreed to employ individuals at the Project and shall receive credits over a period of five (5) years for its total payroll and shall receive additional credits for payroll paid to Port Arthur residents workings not less than six (6) months during any year during the term of the Agreement; and

WHEREAS, MPW shall have the option to cancel all duties and obligations under the Agreement and have the property located within the Business Park transferred to it under Special Warranty Deed by paying to the PAEDC the difference between \$425,000 and any credits generated prior to the date of such payment (the "Buyout Option"). The Buyout Option shall apply even in the event of termination of the Agreement by PAEDC.

WHEREAS, MPW has reviewed and approved 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 enter into the Agreement with MPW, and the President and Secretary of PAEDC are authorized to sign the Agreement in substantially the same form as set forth in **Exhibit "A"** attached hereto.

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

READ, ADOPTED AND APPROVED on this 5th day of Oct. A.D., 2010, at a Meeting of the City Council of the City of Port Arthur, Texas, by the following vote:

AYES: ✓

Mayor Prince; Mayor Pro Tem Albright;
Councilmembers Chatman, Segler, Hood, Beard
and Henderson.

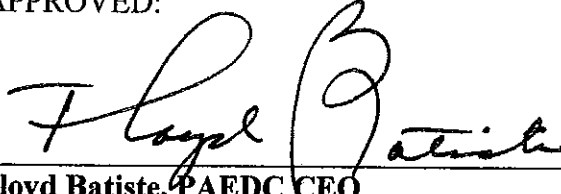
NOES: None.

Deloris Prince
Deloris "Bobbie" Prince, Mayor

ATTEST:

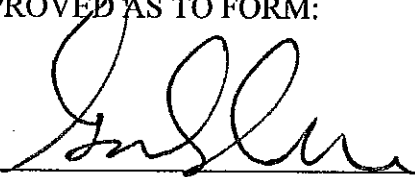
Sherri Bellard
Sherri Bellard, Acting City Secretary

APPROVED:



Floyd Batiste, PAEDC CEO

APPROVED AS TO FORM:



Guy N. Goodson, PAEDC Attorney

APPROVED AS TO FORM:



Valecia R. Tizend, City Attorney

APPROVED AS TO THE AVAILABILITY OF FUNDS:



Deborah Echols, Director of Finance

EXHIBIT "A"

**ECONOMIC INCENTIVE CONTRACT & LOAN AGREEMENT
BETWEEN THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC
DEVELOPMENT CORPORATION**

&

MPW INDUSTRIAL WATER SERVICES, INC.

Executive Summary

MPW Industrial Water Services, Inc. ("Incentive Recipient") is an Ohio corporation and operates through various business entities which include operations in the treatment of industrial water supplies. Incentive Recipient has proposed a 35,000-45,000 square foot state of the art industrial water treatment facility (the "Project") to be located on property within the City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC") Business Park on Spur 93 in Port Arthur, Texas (the "Business Park"). The PAEDC along with the City of Port Arthur, Texas (the "City") shall assist Incentive Recipient in this business endeavor by providing certain agreements or incentives which, as to the PAEDC, shall include a conditional grant/loan in exchange for certain agreements by Incentive Recipient for the creation of full-time permanent jobs. Incentive Recipient will be provided a credit against payroll paid to the full-time employees of Incentive Recipient at the Project with additional incentives to be provided to Incentive Recipient for hiring Port Arthur residents who shall work not less than six (6) months during any year during the term of the Agreement.

The Economic Incentive Contract & Loan Agreement (the "Agreement") shall be for a period of five (5) years from the date Incentive Recipient initiates its business operations within the Business Park. Incentive Recipient has further agreed to execute the First Source Referral Agreement and to utilize the services of the PAEDC to find qualified applicants for employment at the Project. The PAEDC has agreed that as consideration for the promised performance of Incentive Recipient, PAEDC shall convey to Incentive Recipient ten (10) acres of land within the Business Park. PAEDC and Incentive Recipient have agreed that the incentive credit shall be for an amount not to exceed 425,000, and Incentive Recipient shall have a period of five (5) years, as stated above, from the date it initiates business operations on the property to meet its promised performance pursuant to the Agreement.

Incentive Recipient shall have the option to cancel all duties and obligations under the Agreement and have the property located within the Business Park transferred to it under Special Warranty Deed by paying to the PAEDC the difference between \$425,000 and any credits generated prior to the date of such payment (the "Buyout Option"). The Buyout Option shall apply even in the event of termination of the Agreement by PAEDC.

Incentive Recipient has agreed to a Performance Milestone Schedule and the providing of status reports as outlined in the Agreement.

**ECONOMIC INCENTIVE & LOAN AGREEMENT BETWEEN
THE CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION
AND
MPW INDUSTRIAL WATER SERVICES, INC. ("INCENTIVE RECIPIENT")**

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**ECONOMIC INCENTIVE CONTRACT & LOAN AGREEMENT BETWEEN
THE CITY OF PORT ARTHUR SECTION 4A
ECONOMIC DEVELOPMENT CORPORATION
AND
MPW INDUSTRIAL WATER SERVICES, INC. ("INCENTIVE RECIPIENT")**

INTRODUCTION

The Incentive Recipient is an Ohio corporation doing business in Port Arthur, Texas. The Incentive Recipient intends to construct a new industrial water treatment facility (the "Project") on property located within the City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC") Business Park on Spur 93 in Port Arthur, Texas (the "Business Park"). The Project will include an estimated 35,000-45,000 square foot state-of-the-art industrial water treatment facility. Current market demands are such that Incentive Recipient plans to initiate the above-referenced business operation. The PAEDC will assist Incentive Recipient in this business endeavor by providing the hereinafter described conditional grant and/or loan or other incentives in exchange for the promise by Incentive Recipient of creation of fulltime permanent jobs.

AGREEMENT TERM

EFFECTIVE DATE

1. This Economic Incentive Contract and Loan Agreement ("Agreement") is entered into with an effective date of _____, 2010 (the "Effective Date"), by and between the PAEDC and Incentive Recipient.

TERMINATION DATE

2. This Agreement expires the earlier of January 31, 2017, or 30 days after Incentive Recipient either performs fully or breaches the Agreement, subject to earlier termination or extension, voluntary or involuntary, as provided herein (the "Termination Date"). The period from the Effective Date of this Agreement through and including the Termination Date of this Agreement as provided in the previous sentence hereof, is sometimes referred to in this Agreement as the "Term" of this Agreement.

PARTIES

3. City of Port Arthur Section 4A Economic Development Corporation ("PAEDC"), located at 4173-39th Street, Port Arthur, Texas, 77642, is a corporation. It is duly authorized to do business in the State of Texas under Chapter 504, Local Government Code (the "Development Corporation Act of 1979" as amended) and duly authorized by Resolution of the City Council of the City of Port Arthur (the "City") to enter into this Agreement. As so authorized and as provided by the PAEDC bylaws, the President and Secretary of the PAEDC Board have the authority to execute this Agreement.

4. MPW Industrial Water Services, Inc. ("Incentive Recipient") is an Ohio corporation. The Incentive Recipient is not currently registered with the Texas Secretary of State, but is in the process of filing the proper paperwork to be so registered. Incentive Recipient's corporate headquarters is located at 9711 Lancaster Road SE, Hebron, OH 43025.

PROMISED PERFORMANCE

5. The parties agree to perform as follows.

(a) PERFORMANCE BY PAEDC

- i. PAEDC shall conditionally grant Incentive Recipient an incentive of \$425,000, subject to the conditions and limitations herein, which Incentive Recipient is not required to pay back unless Incentive Recipient breaches this Agreement. If Incentive Recipient breaches this Incentive Agreement, then the conditional grant will become a loan as provided in **Exhibit "A"**.
- ii. The conditional grant to Incentive Recipient shall be for the conveyance of ten (10) acres of land in the Business Park as more fully described in the Special Warranty Deed attached hereto as **Exhibit "B"** to this Agreement (the "Property").
- iii. PAEDC shall hold in escrow the Special Warranty Deed described in **Exhibit "B"** to this Agreement (the "Special Warranty Deed"), such Deed shall be recorded upon the satisfaction of the obligations of the Incentive Recipient under this Agreement.

PAEDC WILL ONLY PROVIDE AN INCENTIVE AS TO THE PROPERTY IF INCENTIVE RECIPIENT HAS DULY EXECUTED A DEED OF TRUST AND/OR OTHER APPROPRIATE COLLATERAL SECURITY INTEREST AS TO THE PROPERTY. PAEDC SHALL NOT PROVIDE ADDITIONAL INCENTIVES EVEN THOUGH THERE ARE DEMONSTRATED INCREASES IN THE VALUE OF THE PROPERTY DUE TO IMPROVEMENTS PLACED THEREON BY INCENTIVE RECIPIENT. HOWEVER, INCENTIVE RECIPIENT SHALL RECEIVE PROCEEDS, LESS THE AMOUNTS DUE UNDER THE NOTE (INCLUDING COST OF COLLECTION), GENERATED FROM THE SALE OF ANY COLLATERAL OR PROPERTY HELD FOR PERFORMANCE OF THE OBLIGATIONS UNDER THE CONDITIONAL GRANT. THE DUTIES AND OBLIGATIONS OF THIS AGREEMENT ARE PAEDC'S ONLY OBLIGATIONS TO INCENTIVE RECIPIENT.

(b) PERFORMANCE BY INCENTIVE RECIPIENT

- (1) Incentive Recipient shall employ hereinafter designated employees and shall receive credits against total payroll set forth in paragraph 5(b)(2) and (3) of this Agreement as measured by Internal Revenue Service (IRS) forms W-2 and W-3. Incentive Recipient acknowledges that employees shall be employed at the Property or otherwise within the corporate limits of the City in order to receive credits toward the payroll performance obligations of Incentive Recipient. If Incentive Recipient shall employ Port Arthur residents at other locations other than the Property or outside the corporate limits of the City, such employees' payroll may not be included within the payroll performance credits of Incentive Recipient without the prior written consent of PAEDC and the City.
- (2) Incentive Recipient shall receive a \$1 credit for each \$5.86 of payroll paid to employees of Incentive Recipient which payroll shall be for both Port Arthur and

non-Port Arthur residents employed at the Property or within the corporate limits of the City. Incentive Recipient shall receive this credit for a period not to exceed five (5) years after it initiates business operation on the Property. This incentive credit for payroll for both Port Arthur and non-Port Arthur residents shall not exceed a total credit of \$340,000 during the terms of this Agreement.

- (3) In addition to the credit provided in paragraph (2) above, Incentive Recipient will also receive \$1 credit for each \$5.86 of payroll for each Port Arthur resident working not less than six (6) months during any year during the term of this Agreement; the additional credit to Incentive Recipient shall not exceed \$85,000.

Incentive Recipient shall receive the credits described in sections (b)(2) and (3) above for a period not to exceed five (5) years after it initiates business operation on the Property. The Incentive Recipient shall not accrue payroll credits within said five (5) year period after this Agreement has terminated due to its terms. This incentive credit for payroll for both Port Arthur and non-Port Arthur residents shall not exceed a total credit of \$425,000 during the terms of this Agreement.

- (4) Incentive Recipient shall have a period of five (5) years from the date it initiates business operations on the Property to meet the conditions of this Agreement.
- (5) Incentive Recipient will be required to meet the conditions and agreements set forth in the First Source Referral Agreement attached hereto as **Exhibit "F"** and made a part hereof for all purposes.
- (6) If the conditional grant provided by PAEDC to Incentive Recipient is to be secured by an interest in real property, Incentive Recipient shall execute the Deed of Trust contained in **Exhibit "C"**.
- (7) On demand by PAEDC and in response to Incentive Recipient's failure to achieve a performance milestone, Incentive Recipient shall provide PAEDC with reasonable assurances, proposed by Incentive Recipient and reasonably acceptable to PAEDC, that it has both the intention and the capabilities to perform fully its contractual obligations.

(C) CREDITS - SUBSTITUTE PERFORMANCE

Incentive Recipient may earn credits according to the following terms, to either reduce the duration of this Agreement or reduce the amount of liquidated damages in the event Incentive Recipient breaches the Agreement.

- (1) Total credits cannot exceed \$425,000.
- (2) Incentive Recipient will forfeit any credits it earned during a period for which a report is scheduled but Incentive Recipient fails to issue the report despite notice of need for such report from PAEDC.

(3) Once Incentive Recipient has earned credits equal to \$425,000, the conditional grant and all obligations to PAEDC shall terminate; however, no termination of the obligations for a conditional grant shall eliminate the obligations of Incentive Recipient to PAEDC to repay any loan described in **Exhibit "A"** nor to eliminate any obligations under any collateral security agreements including by not limited to those described in **Exhibit "C"** which shall remain in full force and effect until the Conditional Commercial Promissory Note (the "Note") is paid in full.

(4) Incentive Recipient shall always have the option to cancel all duties and obligations under this Agreement and the Note and Deed of Trust, and have the Property properly transferred solely into its name under a Special Warranty Deed, by paying to PAEDC the difference between \$425,000 and any credits generated prior to the date of such payment ("Buyout Option"). This Buyout Option applies even in the event of termination of the Agreement by PAEDC.

(d) FIRST SOURCE REFERRAL AGREEMENT

PAEDC has adopted policies and procedures to assist Incentive Recipient in locating a qualified workforce within the City. The First Source Referral Agreement is incorporated into this Agreement in **Exhibit "F"** ("First Source"). Incentive Recipient has agreed to the policies and procedures within First Source as a resource and referral for all appropriate new job openings of Incentive Recipient.

PERFORMANCE MILESTONE SCHEDULE

6. Upon failure to achieve a performance milestone and after Incentive Recipient has been given an opportunity of no less than thirty (30) days to cure a default, PAEDC may demand reasonable assurances¹ from Incentive Recipient that it can and will fully perform its contractual obligations. Failure to provide such reasonable assurances following demand of PAEDC is a breach of contract.

7. Incentive Recipient's performance milestones are contained in the following table. Upon receipt of any status report listed below, PAEDC shall, as requested by Incentive Recipient, issue documentation to the Incentive Recipient setting forth the total uncredited/unpaid amount remaining.

PERFORMANCE MILESTONE SCHEDULE

	<u>Deadline</u>	<u>Milestone</u>
(a)	December 31, 2010	Issue a <i>status report</i> ² to PAEDC's Chief Executive Officer ("CEO") for the period from the November 1, 2010 to December 30, 2010.

¹ Examples of reasonable assurances are copies of pending contracts and customer commitment letters and/or payment of an agreed amount showing commitment to contractual obligations.

² Status reports shall include copies of invoices and check payments for assets purchased with PAEDC funds during the reporting period, quarterly balance sheets, quarterly profit and loss statements, and employee reports. As to job creation performance, interim status reports shall include documentation substantiating the accuracy of such reports, including,

(b)	July 1, 2011	Issue a <i>status report</i> ² to PAEDC's CEO for the period from January 1, 2011 to June 30, 2011.
(c)	December 31, 2011	Issue a <i>status report</i> ² to PAEDC's CEO for the period from July 1, 2011 to December 31, 2011
(d)	July 31, 2012	Issue a <i>status report</i> ² to PAEDC's CEO for the period from January 1, 2012 to June 30, 2012.
(e)	January 31, 2013	Issue a <i>status report</i> ² to PAEDC's CEO for the period from July 1, 2012 to December 31, 2012
(f)	January 31, 2013	Achieve performance of annualized payroll of \$692,000 for year ending December 31, 2012
(g)	July 31, 2013	Issue a <i>status report</i> ² to PAEDC's CEO for the period from January 1, 2012 to June 30, 2012.
(h)	January 31, 2014	Issue a <i>status report</i> ² to PAEDC's CEO for the period from July 1, 2012 to December 31, 2013
(i)	January 31, 2014	Achieve performance of annualized payroll of \$829,500 for year ending December 31, 2013
(j)	July 31, 2014	Issue a <i>status report</i> ² to PAEDC's CEO for the period from January 1, 2014 to June 30, 2014.
(k)	January 31, 2015	Issue a <i>status report</i> ² to PAEDC's CEO for the period from July 1, 2014 to December 31, 2014
(l)	January 30, 2015	Achieve performance of annualized payroll of \$967,000 for year ending December 31, 2014
(m)	July 30, 2015	Issue a <i>status report</i> ² to PAEDC's CEO for the period from January 1, 2015 to June 30, 2015.
(n)	January 31, 2016	Issue a <i>status report</i> ² to PAEDC's CEO for the period from July 1, 2015 to December 31, 2015
(o)	January 31, 2016	Maintain achieved performance of annualized payroll of \$967,000 for year ending December 31, 2015
(p)	July 30, 2016	Issue a <i>status report</i> ² to PAEDC's CEO for the period from January 1, 2016 to June 30, 2016.
(q)	January 31, 2017	Issue a <i>status report</i> ² to PAEDC's CEO for the period from July 1, 2016 to December 31, 2016.
(r)	January 31, 2017	Maintain achieved performance of annualized payroll of \$967,000 for year ending December 31, 2016

for example, 941 payment reports, Texas Workforce Commission reports, or other such reports confirming total jobs, payroll and other relevant information. Driver's license information is appropriate for interim reporting of Port Arthur residents hired. The reporting objective is to include documentation necessary for PAEDC to verify said report without further outside inquiry.

PAEDC'S CONDITIONAL OBLIGATIONS AND LIMITED LIABILITY

8. PAEDC has promised performance to execute and to hold in escrow the Special Warranty Deed described in **Exhibit "B"** to this Agreement. PAEDC has not undertaken any obligation to provide title insurance for the Property nor has ordered or undertaken to secure a commitment of title insurance for the Property. Incentive Recipient may, at its sole cost and expense, secure such title information and title insurance as it deems necessary for its purposes as to the Property. If, upon securing a commitment for title insurance or Incentive Recipient notifies PAEDC of any issue with the condition of title to the Property that may limit access or use of the Property or limit the ability of Incentive Recipient to construct and operate its proposed facilities on the Property, Incentive Recipient shall notify PAEDC within ten (10) days of receipt of the title commitment and describe the curative steps that are deemed necessary to eliminate title defects or exceptions. PAEDC shall cure such title defects or eliminate title encumbrances to enable Incentive Recipient to make full utilization of the Property.

9. PAEDC has not secured a ground survey for the Property, but has provided boundary information to Incentive Recipient which shall be utilized to describe the Property in the Special Warranty Deed. Incentive Recipient may, at its sole cost and expense, undertake a ground survey of the Property, and if such is undertaken, Incentive Recipient shall provide PAEDC with the ground survey, and after approval, PAEDC agrees that all references within this Agreement and all exhibits hereto shall include as the description of the Property the ground survey as provided by Incentive Recipient to PAEDC. If the ground survey reveals any material deviations from the boundary information, then PAEDC shall correct such deviations by conveying additional property to Incentive Recipient up to but not to exceed the ten (10) acres of land promised as an incentive to Incentive Recipient.

10. Incentive Recipient shall not use the Property for any purpose(s) other than that specifically disclosed herein and as further disclosed within its Application made by or on behalf of Incentive Recipient, which is incorporated herein for all purposes.

11. Incentive Recipient may not assign any of its rights under this Agreement without the prior written consent of the PAEDC and the City nor may Incentive Recipient make any subordinate deed of trust or collateral security agreements as to the Property without the prior written consent of PAEDC.

LIQUIDATED DAMAGES FOR BREACH OF AGREEMENT

12. In the event Incentive Recipient fails to perform its obligations under this Agreement, following notice thereof from PAEDC and following a thirty (30) day opportunity to cure the default, the PAEDC grant, minus any credits earned, will automatically convert to a loan (liquidated damages), effective on the day of breach, as agreed by Incentive Recipient in the executed Conditional Commercial Promissory Note contained in **Exhibit "A."** Further, the PAEDC shall be entitled to recover its reasonable and customary attorney's fees and court costs incurred in collection of said obligation and such remedies as are provided at law or in equity.

13. It is expressly understood and agreed by the parties that the exercise of any right or remedy shall not preclude the exercise of any other right or remedy under this Agreement or under any provision of law, nor shall any action taken in the exercise of any right or remedy be deemed a

waiver of any other rights or remedies. Failure to exercise any right or remedy hereunder shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

RECORDS / INSPECTION / PAEDC AUDIT

14. Incentive Recipient must establish and maintain sufficient records, as reasonably determined by the PAEDC, to account for the employment and payroll which are the basis of the conditional grant to Incentive Recipient from PAEDC under the terms and conditions of this Agreement.
15. Incentive Recipient shall maintain employment records as necessary to allow the PAEDC to audit and verify proper utilization of First Source and to verify any and all other covenants, representations and warranties contained herein and in Incentive Recipient's Application.
16. Upon ten-day (10-day) advance notice, Incentive Recipient shall give the PAEDC, or any of its duly authorized representatives, access to and right to examine all books, accounts, records, reports, files and other papers, things or property directly related to this Agreement and belonging to or in use by Incentive Recipient. Such rights to access shall continue as long as the records related to this Agreement are retained by Incentive Recipient. Incentive Recipient agrees to maintain such records in an accessible location. All information obtained by the PAEDC, or its duly authorized representatives, shall be regarded as the confidential business information of Incentive Recipient and the PAEDC shall take reasonable measures to protect such information from disclosure to third parties; however, PAEDC is subject to the requirements of the Texas Open Meetings Act and Open Records Act (Tex. Gov. Code, 551 & 552). Incentive Recipient agrees that disclosures to the public required by the Texas Open Meetings Act, Texas Open Records Act, or any other legal requirement will not expose PAEDC (or any party acting by, through or under PAEDC) to any claim, liability or action by Incentive Recipient (or any party working by, through or under).
17. All records pertinent to this Agreement shall be retained by Incentive Recipient at least three years following the date of termination of this Agreement, whether said termination is a result of default or whether said termination is a result of final submission of a close out report by Incentive Recipient detailing its compliance with its obligations provided herein. Further, in the event any litigation, claim or audit arising out of or related to this Agreement is instituted before the expiration of the three (3) year period and extends beyond the three year period, the records will be maintained until all litigation, claims or audit findings involving this Agreement and the records made the basis of same have been resolved.
18. Incentive Recipient shall provide PAEDC with all reports necessary for PAEDC compliance with the Development Corporation Act of 1979, as amended.
19. It is expressly understood and agreed by the parties hereto that if Incentive Recipient fails to submit to PAEDC in a timely and satisfactory manner any report required by this Agreement, PAEDC may, at its sole discretion, demand assurances that Incentive Recipient can and will fully perform its contractual obligations. If Incentive Recipient fails to provide adequate assurances then Incentive Recipient is in breach, and any monies advanced by PAEDC automatically become a loan.

20. The PAEDC reserves the right, from time to time, to carry out field inspections/audits to ensure compliance with the requirements of this Agreement. After completion of any such audit, the PAEDC may provide Incentive Recipient with a written report of the audit findings. If the audit report details deficiencies in its performance under the terms and conditions of this Agreement, the PAEDC may establish requirements for the timely correction of any such deficiencies by Incentive Recipient.

HOLD HARMLESS

21. INCENTIVE RECIPIENT AGREES TO HOLD HARMLESS THE PAEDC AND THE CITY OF PORT ARTHUR FROM ANY AND ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION OF ANY KIND OR CHARACTER WHICH MAY BE ASSERTED BY ANY THIRD PARTY OCCURRING, ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT, THE PROJECT MADE THE BASIS OF THIS AGREEMENT, AND THE UTILIZATION OF GRANT FUNDS PROVIDED BY THIS AGREEMENT, PROVIDED THAT SUCH CLAIM, DEMAND OR CAUSE OF ACTION DOES NOT ARISE FROM ANY FRAUD OR MISCONDUCT ON THE PART OF THE PAEDC OR THE CITY OF PORT ARTHUR, OR ANY AGENT, EMPLOYEE OR REPRESENTATIVE OF EITHER.

SUBCONTRACTS

22. Incentive Recipient may not subcontract for performance credits described in this Agreement without obtaining PAEDC's written approval, which may be withheld for any reason. Incentive Recipient shall only subcontract for performance credits described in this Agreement after Incentive Recipient has submitted a Subcontractor Eligibility Request, as specified by PAEDC, for each proposed subcontract, and Incentive Recipient has obtained PAEDC's prior written approval. Incentive Recipient, in subcontracting for any performances described in this Agreement, expressly understands that in entering into such subcontracts, PAEDC is in no way liable to Incentive Recipient's subcontractor(s).

23. In no event shall PAEDC's prior written approval of a subcontractor's eligibility, be construed as relieving Incentive Recipient of the responsibility for ensuring that the performances rendered under all subcontracts are rendered so as to comply with all terms of this Agreement, as if such performances rendered were rendered by Incentive Recipient. PAEDC's approval does not constitute adoption, ratification, or acceptance of Incentive Recipient's or subcontractor's performance hereunder. PAEDC maintains the right to insist upon Incentive Recipient's full compliance with the terms of this Agreement, and by the act of subcontractor approval, PAEDC does not waive any right of action which may exist or which may subsequently accrue to PAEDC under this Agreement.

24. Incentive Recipient, as well as all of its approved subcontractors, shall comply with all applicable federal, state, and local laws, regulations, and ordinances for making procurement under this Agreement.

CONFLICT OF INTEREST / DISCLOSURE OBLIGATION

25. **Conflict of Interest:** No employee, agent, officer or elected or appointed official of the City of Port Arthur or the PAEDC who has participated in a decision making process related to this Agreement (without recusing him/herself and executing a conflict affidavit) may obtain a personal or financial interest or benefit from an PAEDC assisted activity, or have an interest in any contract, subcontract, or agreement (or proceeds thereof) with respect to an PAEDC assisted activity, during their tenure or for one (1) year thereafter. Insofar as relates to the conduct hereunder of Incentive Recipient, its agents, employees or representatives, Incentive Recipient shall ensure compliance with applicable provisions under Chapter 504, Local Government Code and Chapter 171 Local Government Code V.T.C.A.

26. **Disclosure:** In conjunction with execution of this Agreement, Incentive Recipient has fully disclosed to PAEDC all known and potential owners of interests in Incentive Recipient (whether shareholder, partner, limited partner, manager, member or otherwise). In the event of any change in ownership or control of Incentive Recipient of five percent (5 %) or greater, Incentive Recipient shall notify PAEDC in writing. Further, Incentive Recipient shall be obligated to notify in writing the PAEDC in the event any time prior to, during or one (1) year after the term of this Agreement, any City or PAEDC employee or representative or any third party with a conflict of interest obtains or proposes to obtain a financial benefit, direct or indirect, from Incentive Recipient. Failure to provide said notice immediately or no later than five (5) business days after receipt of information shall constitute a default herein.

NONDISCRIMINATION / EMPLOYMENT / REPORTING

27. Incentive Recipient shall ensure that no person shall on the grounds of race, color, religion, sex, handicap, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds provided under this Agreement. Additionally, funds shall be used in accordance with the following requirements:

- (a) To the greatest extent feasible, opportunities for training and employment arising in connection with the planning and carrying out of any project assisted with PAEDC funds provided under this Agreement be given to Port Arthur residents; and
- (b) To the greatest extent feasible, agreements for work to be performed in connection with the Project shall be awarded to Port Arthur residents and businesses, including, but not limited to, individuals or firms doing business in the field of planning, consulting, design, architecture, building construction, rehabilitation, maintenance, or repair, which are located in or owned in substantial part by persons residing in the City.
- (c) If Incentive Recipient advertises for employment then it shall among any other advertising that it chooses to undertake covenants that it will advertise in the Port Arthur News. Incentive Recipient acknowledges that PAEDC does not intend to restrain any advertising in additional publications or media nor direct any others than that stated.

LEGAL AUTHORITY

28. Incentive Recipient assures and guarantees it possesses legal and/or corporate authority (i) to enter into this Agreement, receive the conditional grant authorized by this Agreement, and (ii) to perform the obligations hereunder. Incentive Recipient has provided, or shall provide, as requested by the PAEDC, such resolutions or other required authorizations necessary to evidence this authority.

29. The person or persons signing and executing this Agreement on behalf of Incentive Recipient, or representing themselves as signing and executing this Agreement on behalf of Incentive Recipient, do hereby warrant and guarantee that he, she, or they have been duly authorized by Incentive Recipient to execute this Agreement on behalf of Incentive Recipient and to validly and legally bind Incentive Recipient to all terms, performances, and provisions herein set forth.

NOTICE OF LEGAL OR REGULATORY CLAIMS

30. Incentive Recipient shall give PAEDC immediate notice in writing of 1) any material legal or regulatory action, including any material proceeding before an administrative agency filed against Incentive Recipient; and 2) any material claim against Incentive Recipient, which may impact continued operations. For purposes herein, "material" claims shall mean claims in excess of \$250,000. Except as otherwise directed by PAEDC, Incentive Recipient shall furnish immediately to PAEDC copies of all pertinent documentation of any kind received by Incentive Recipient with respect to such action or claim.

CHANGES AND AMENDMENTS

31. Except as specifically provided otherwise in this Agreement, 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. Such amendments must be approved by the PAEDC Board of Directors and, by the City Council.

32. It is understood and agreed by the parties hereto that performances under this Agreement must be rendered in accordance with the regulations promulgated under the Development Corporation Act, the assurances and certifications made to PAEDC by Incentive Recipient, and the assurances and certifications made to the City with regard to the operation of the PAEDC's Projects. Based on these considerations, and in order to ensure the legal and effective performance of this Agreement by all parties, it is agreed by the parties hereto that the performances under this Agreement are by the provisions of the PAEDC Program and any amendments thereto and may further be amended in the following manner: PAEDC may from time to time during the period of performance of this Agreement issue policy directives which serve to interpret, or clarify performance requirements under this Agreement. Such policy directives shall be promulgated by the PAEDC Board of Directors in the form of PAEDC issuances, shall be approved by the City Council and shall have the effect of qualifying the terms of this Agreement and shall be binding upon Incentive Recipient, as if written herein, and if approved by the Incentive Recipient. If Incentive Recipient does not approve a policy directive as so submitted, then Incentive Recipient may exercise its rights under paragraph 5(c)(4).

33. Any alterations, additions, or deletions to the terms of this Agreement which are required by changes in Federal, state law 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

34. In the event of default of any of the obligations of Incentive Recipient detailed herein or in the event of breach of any of the representations of or warranties of Incentive Recipient either detailed herein or in its application to the PAEDC, and following any notice and opportunity to cure provided for in this Agreement, and only after Incentive Recipient's refusal of the Buyout Option stated in Section 5(c)(4) of this Agreement, the PAEDC may, at its sole option, terminate this Agreement, in whole or in part. In the event of such termination, the PAEDC may, at its sole option, utilize one or more of the following actions to resolve or otherwise remedy said default:

- (a) Declare the Note executed in conjunction with this Agreement immediately effective. If Incentive Recipient defaults on the note, then the PAEDC may exercise its default remedies provided under collateral documentation executed in conjunction with said Note and this Agreement.
- (b) Exercise any remedies provided herein and/or within the Deed of Trust or any Collateral Security Documents.
- (c) Disallow all or a part of the incentives which are not in compliance with the terms and conditions of this Agreement or in compliance with the representations and warranties contained within this Agreement and Incentive Recipient's application to the PAEDC.
- (d) Withhold and/or disallow further PAEDC incentives to Incentive Recipient.
- (e) Exercise any and all other remedies that may be legally available to the PAEDC, under the laws of the State of Texas and as authorized by the terms and conditions of this Agreement.

35. 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.

COMPLIANCE AUDITS

36. If directed by PAEDC Board, and in no case more than once per year, Incentive Recipient shall arrange for the performance of a compliance audit, by a certified public accountant, of performances rendered under this Agreement, subject to the following conditions and limitations:

- (a) Incentive Recipient shall have a compliance audit which may be limited to use of funds received from the PAEDC, made for any of its fiscal years included within the Term of this Agreement in which Incentive Recipient receives more than \$50,000 in PAEDC financial assistance provided by PAEDC in the form of grants, contracts, loans, loan

guarantees, property, cooperative agreements, interest subsidies, or direct appropriations. Said audit must be received and accepted by the Chief Executive Officer of PAEDC and/or the PAEDC Board.

- (b) Unless otherwise specifically authorized by PAEDC in writing, Incentive Recipient shall submit the report of such audit to PAEDC within thirty (30) days after completion of the audit, but no later than one hundred twenty (120) days after the end of each fiscal period included within the Term of this Agreement.
- (c) As a part of its audit, Incentive Recipient shall verify that the expenditures were exclusively for the assets listed in **Exhibit "E"**. Any discrepancies in excess of \$500 shall be specifically documented in writing.

37. Incentive Recipient understands and agrees that it shall be liable to reimburse immediately PAEDC for any costs disallowed pursuant to financial and compliance audit(s) of funds received under this Agreement.

38. Incentive Recipient shall take all necessary actions to facilitate the performance of any and all such audits, whether annual, mandatory or otherwise requested under this Agreement.

39. Subject to financial privacy requirements of Incentive Recipient and properly designated requests for non-disclosure due to proprietary reasons, all approved audit reports may be made available for public inspection.

SUPPLEMENTAL COVENANT

40. Incentive Recipient and any branch, division or department of Incentive Recipient certifies that they have not and will not knowingly employ an "undocumented worker" which means "an individual who, at the time of employment, is not lawfully admitted for permanent residence to the United States or authorized under law to be employed in that manner in the United States."

41. Incentive Recipient acknowledges that it has reviewed Chapter 2264, Texas Government Code and hereby affirmatively agrees by execution of this Agreement to repay the amount of any incentive not later than the 120th day after the date PAEDC notifies Incentive Recipient of a violation.

42. Incentive Recipient acknowledges PAEDC may bring a civil action or cover any amounts owed under this Chapter and further acknowledges that PAEDC may recover court costs and reasonable attorneys' fees incurred in an action brought under §2264.101(a). Incentive Recipient is not liable for a violation of this Chapter by a subsidiary, affiliate or franchisee of the Incentive Recipient or by a person with whom the Incentive Recipient contracts.

ENVIRONMENTAL REQUIREMENTS

43. Incentive Recipient acknowledges that there are certain covenants and restrictions as to the operation of facilities within the Business Park as stated on the Special Warranty Deed. As the Project will be located on the Property within the Business Park, Incentive Recipient not only

agrees to meet the covenants and restrictions of the Business Park, but also to operate and maintain the Project in conformance with all local, state and federal regulations and to maintain the Property in a condition that will not be derogatory either to the PAEDC or other business operations within the Business Park. During the Term of this Agreement, Incentive Recipient also agrees to allow PAEDC or its duly authorized officers, agents, employees, contractors or subcontractors access to the Property and the Project for environmental review and compliance monitoring. Incentive Recipient further agrees that Incentive Recipient shall make all reasonable efforts to assist PAEDC in handling inquiries and complaints from persons and agencies seeking redress in relation to environmental reviews, audits, notices of violation or other administrative proceedings covered by appropriate permits or certifications as to the Property and/or the Project.

ORAL AND WRITTEN AGREEMENTS / PRIOR AGREEMENTS

44. All oral and written contracts 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.

45. The documents required below are hereby made a part of this Agreement, and constitute promised performances by Incentive Recipient in accordance with this Agreement:

Required

_____	Exhibit "A"	Conditional Commercial Promissory Note
_____	Exhibit "B"	Special Warranty Deed
_____	Exhibit "C"	Deed of Trust
_____	Exhibit "D"	Certification Regarding Lobbying
_____	Exhibit "E"	Compliance Statement
_____	Exhibit "F"	First Source Referral Agreement
_____	Exhibit "G"	Incentive Recipient Application to PAEDC

VENUE

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

ADDRESS OF NOTICE AND COMMUNICATIONS

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

Incentive Recipient
9711 Lancaster Road, SE
Hebron, OH 43025
(800) 827-8790
ATTN: Sean Hutcheson, Asst. General Counsel

CAPTIONS

47. This Agreement 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.

COMPLIANCE WITH FEDERAL, STATE AND LOCAL LAWS

48. Incentive Recipient shall comply with all Federal, State and local laws, statutes, ordinances, resolutions, rules, regulations, orders and decrees of any court or administrative body or tribunal, including those related to the activities and performances of Incentive Recipient under this Agreement. Upon request by PAEDC and by the City, Incentive Recipient shall furnish satisfactory proof of its compliance herewith.

CONDITIONS PRECEDENT

49. This agreement has no legal consequences, and neither party shall rely on the agreement, unless and until

- a. Both the PAEDC Board and the Port Arthur City Council approve the Agreement in its final executed form.
- b. _____.
- c. _____.
- d. _____.

ATTORNEY APPROVALS

APPROVED AS TO FORM:

Guy Goodson, General Counsel for PAEDC

VERIFIED BY
CITY COUNCIL RESOLUTION:

Resolution Number: _____

Valecia R. Tizeno, City Attorney

AGREEMENT EXECUTION

CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION

SIGNED AND AGREED TO on the ____ day of _____, 2010.

By: _____
President

By: _____
Secretary

EDC Representative

EDC Representative

MPW INDUSTRIAL WATER SERVICES, INC.

SIGNED AND AGREED TO on the ____ day of _____, 2010.

By: _____

Title

Acknowledgment

EXHIBIT "A"

CONDITIONAL COMMERCIAL PROMISSORY NOTE

Port Arthur, Texas

This COMMERCIAL PROMISSORY NOTE becomes effective on the date when MPW Industrial Water Services, Inc., an Ohio corporation (hereinafter called "Maker") breaches that certain Economic Incentive Contract and Loan Agreement between the City of Port Arthur Section 4A Economic Development Corporation (hereinafter called "Lender") and Maker, dated _____, 2010.

Effective Date of Note: the _____ day of _____, 200____ ("date of breach").

Principal Amount: \$ _____, which is \$ _____ minus the incentive credits earned by Maker according to that certain Economic Incentive Contract and Loan Agreement between the Lender and Maker (described hereinbefore).

Term of the Loan: _____

Payment Schedule: _____

FOR VALUE RECEIVED, the undersigned "Maker", promises to pay to Lender, at its office at P.O. Box 1089, Port Arthur, Texas, 77640-1089, or such other place or places as the holder hereof shall from time to time designate in written notice to Maker, the principal amount, in legal and lawful money of the United States of America, together with interest thereon from the date hereof until maturity as detailed herein.

This note is due and payable as follows: _____

Any notices required or permitted to be given by the holder hereof to Maker pursuant to the provisions of this note shall be in writing and shall be either personally delivered or transmitted by a courier, including first class United States mail, that utilizes some type of verifiable delivery confirmation addressed to Maker at the address designated below for receipt of notice (or at such other address as Maker may, from time to time, designate in writing to the holder hereof for receipt of notices hereunder). Any such notice personally delivered shall be effective as of the date of delivery, and any notice transmitted by courier with delivery confirmation, in accordance with the foregoing provisions, shall be deemed to have been given to and received by Maker as of the date stated on such delivery confirmation.

This note is also secured by and entitled to the benefits of all other security agreements, pledges, collateral assignments, deeds of trust, guaranties, mortgages, assignments, and lien instruments, if any, of any kind executed by Maker or by any other party as security for any loans owing by Maker to the Lender. Such lien instruments shall include those executed simultaneously herewith, those heretofore executed, and those hereafter executed.

If any installment or payment of principal or interest of this note is not paid when due or any drawer, acceptor, endorser, guarantor, surety, accommodation party or other person now or hereafter primarily or secondarily liable upon or for payment of all or any part of this note (each hereinafter called an "other liable party") shall die, or become insolvent (however such insolvency may be evidenced); or if any proceeding, procedure or remedy supplementary to or in enforcement of judgment shall be resorted to or commenced against Maker or any other liable party, or with respect to any property of any of them; or if any governmental authority or any court at the instance thereof shall take possession of any substantial part of the property of or assume control over the affairs or operations of, or a receiver shall be appointed for or take possession of the property of, or a writ or order of attachment or garnishment shall be issued or made against any of the property of Maker or

any other liable party; or if any indebtedness for which Maker or any other liable party is primarily or secondarily liable shall not be paid when due or shall become due and payable by acceleration of maturity thereof, or if any event or condition shall occur which shall permit the holder of any such indebtedness to declare it due and payable upon the lapse of time, giving of notice or otherwise; or if Maker or any other liable party (if other than a natural person) shall be dissolved, wound up, liquidated or otherwise terminated, or a party to any merger or consolidation without the written consent of Lender; or if Maker or any other liable party shall sell substantially all or an integral portion of its assets without the written consent of Lender; or if Maker or any other liable party fails to furnish financial information requested by Lender; or if Maker or any other liable party furnishes or has furnished any financial or other information or statements which are misleading in any respect; or if a default occurs under any instrument now or hereafter executed in connection with or as security for this note; or any event occurs or condition exists which causes Lender to in good faith deem itself insecure or in good faith believe the prospect of payment or performance by Maker or any other liable party under this note, under any instrument or agreement executed in connection with or as security for this note, or under any other indebtedness of Maker or any other liable party to Lender is impaired; thereupon, at the option of Lender, the principal balance and accrued interest of this note and any and all other indebtedness of Maker to Lender shall become and be due and payable forthwith upon notice as required herein, but without demand, notice of default, notice of acceleration, notice of intent to accelerate the maturity hereof, notice of nonpayment, presentment, protest or notice of dishonor, all of which are hereby expressly waived by Maker and each other liable party. Lender may waive any default without waiving any prior or subsequent default.

If this note is not paid at maturity whether by acceleration or otherwise, and is placed in the hands of any attorney for collection, or suit is filed hereon, or proceedings are had in probate, bankruptcy, receivership, reorganization, arrangement or other legal proceedings for collection hereof, Maker and each other liable party agree to pay Lender its collection costs, including court costs and a reasonable amount for attorney's fees.

It is the intention of Maker and Lender to conform strictly to applicable usury laws. Accordingly, if the transaction contemplated hereby would be usurious under applicable law, then, in that event, notwithstanding anything to the contrary herein or in any agreement entered into in connection with or as security for this note, it is agreed as follows: (i) the aggregate of all consideration which constitutes interest under applicable law that is taken, reserved, contracted for, charged or received under this note or under any of the other aforesaid agreements or otherwise in connection with this note shall under no circumstances exceed the maximum amount of interest allowed by applicable law, and any excess shall be credited on this note by the holder hereof (or, if this note shall have been paid in full, refunded to Maker); (ii) in the event that maturity of this note is accelerated by reason of an election by the holder hereof resulting from any default hereunder or otherwise, or in the event of any required or permitted prepayment, then such consideration that constitutes interest may never include more than the maximum amount allowed by applicable law, and excess interest, if any, provided for in this note or otherwise shall be canceled automatically as of the date of such acceleration or prepayment and, if theretofore prepaid, shall be credited on this note (or if this note shall have been paid in full, refunded to Maker); and (iii) all calculations of the rate of interest taken, reserved, contracted for, charged or received under this note or under any of the other aforesaid agreements or otherwise in connection with this note, that are made for the purpose of determining whether such rate exceeds the maximum lawful rate shall be made, to the extent permitted by applicable law, by amortizing, prorating, allocating, and spreading such interest over the entire term of the loan evidenced by this note (including all renewal and extended terms).

Maker may prepay all or any part of the principal of this note before maturity without penalty. No partial prepayment shall reduce, postpone or delay the obligation of Maker to continue paying the installments herein provided on their respective due dates following any such partial prepayment until this note is fully paid.

The Maker shall be directly and primarily liable for the payment of all sums called for hereunder; and, except for notices specifically required to be given by the holder hereof to Maker

pursuant to the earlier provisions of this note, Maker and each other liable party hereby expressly waive demand, presentment for payment, notice of nonpayment, protest, notice of protest, notice of intention to accelerate maturity, notice of acceleration of maturity, and all other notice, filing of suit and diligence in collecting this note or enforcing or handling any of the security therefor, and do hereby agree to any substitution, exchange or release, in whole or in part, of any security here-for or the release of any other liable party, and do hereby consent to any and all renewals or extensions from time to time, of this note, or any part hereof, either before or after maturity, all without any notice thereof to any of them and without affecting or releasing the liability of any of them. Each holder hereof, in order to enforce payment of this note by any other liable party, shall be required to first institute suit or exhaust its remedies against Maker and to enforce its rights against any security therefor prior to enforcing payment of this Note by any other liable party.

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

_____,
a _____

By: _____
Signature

Its: _____
Title

THE STATE OF TEXAS
COUNTY OF JEFFERSON

§
§
§

ACKNOWLEDGEMENT

BEFORE ME, THE UNDERSIGNED Notary Public, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same as the act and deed of _____, a _____, for the purposes and consideration therein expressed, and the Capacities therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of _____, 200__.

Notary Public, State of Texas

MAKERS' ADDRESS FOR RECEIPT OF NOTICE:

_____, a _____
c/o _____
_____, Texas 77 ____

EXHIBIT "B"

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM THE INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED

STATE OF TEXAS

§

§

COUNTY OF JEFFERSON

§

The City of Port Arthur Section 4A Economic Development Corporation ("Grantor") in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, to Grantor in hand paid by MPW Industrial Water Services, Inc. ("Grantee") the receipt of which is hereby acknowledged, has GRANTED, SOLD and CONVEYED, to Grantee, all that certain property situated in the County of Jefferson, State of Texas, described as follows, to-wit:

That tract of land more fully described on **Exhibit "A"** attached hereto and made a part hereof for all purposes (the "Property").

This conveyance is made subject to the following:

- (1) easements and rights-of-way appearing of record in the office of the County Clerk of Jefferson County, Texas;
- (2) all covenants, restrictions, and all conditions, exceptions, reservations and conveyances of minerals and/or royalties, oil and gas and/or mineral leases, affecting the above described property, of record in the Office of the County Clerk of Jefferson County, Texas, to the extent they are still in effect and relate to the above described property;
- (3) taxes on the above described property for 2010 and subsequent years not yet due and payable; and
- (4) all zoning laws, regulations and ordinances of municipal and other governmental authorities, if any, but only to the extent that they are still in effect, relating to the above described property.

TO HAVE AND TO HOLD, the said Property, together with all rights, hereditaments and appurtenances thereto belonging, unto Grantee, its successors, heirs, and assigns forever. And Grantor does hereby bind itself, its successors, heirs, executors, administrators, and personal representatives to WARRANT AND FOREVER DEFEND the title to said Property unto Grantee, its successors, heirs, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through, or under Grantor, but not otherwise.

Grantee has joined in this Deed to evidence Grantee's acceptance of this Deed.

GRANTOR:

By: _____

STATE OF TEXAS §
COUNTY OF JEFFERSON §

Notary Public, State of Texas

Accepted by GRANTEE:

MPW Industrial Water Services, Inc.

By: _____

Attest:

STATE OF TEXAS

§
§
§

COUNTY OF JEFFERSON

This instrument was acknowledged before me on the ____ day of _____, 2010, by _____ and _____ of **MPW Industrial Water Services, Inc.**

Notary Public, State of Texas

GRANTEE'S MAILING ADDRESS:
MPW Industrial Water Services, Inc.

EXHIBIT "C"

DEED OF TRUST

Date: _____, 200__

Grantor: MPW Industrial Water Services, Inc.

Grantors' Mailing Address
(including county): 9711 Lancaster Road, SE
Hebron, OH 43025
(Licking County)

Trustee: GUY N. GOODSON

Trustee's Mailing Address: Germer Gertz, L.L.P.
P.O. Box 4915
Beaumont, Texas 77704
(Jefferson County)

Beneficiary: City of Port Arthur Section 4A Economic
Development Corporation (the "PAEDC")

Beneficiary's Mailing Address
(including county): 4173 39th Street
Port Arthur, Texas 77642
(Jefferson County)

Note

Date: _____, 2010

Amount: _____, \$_____ minus
incentive credits earned by Maker according to that certain
Economic Incentive Contract and Loan Agreement between
Grantor and Beneficiary.

Maker:

Payee: PAEDC (Beneficiary)

Final Maturity Date: _____

Property: See Attachment for legal description.
Physical address is _____, _____, Texas _____.

The Property covered by this Instrument includes the Land and the following items, whether now owned or hereafter acquired, all of which, including replacements and additions thereto, shall be deemed to be and remain part of the Property covered by this Instrument, and all rights, hereditaments and appurtenances pertaining thereto, all of which are referred to as the "Property":

- (a) Any and all buildings, improvements, and tenements now or hereafter attached to or placed, erected, constructed, or developed on the Land;
- (b) all fixtures, now or hereafter attached to Land or Improvements, that are necessary or useful for the complete and comfortable use and occupancy of the Land and Improvements;
- (c) all water and water rights, timber, crops, and mineral interest pertaining to the Land;
- (d) all building materials and fixtures now or hereafter delivered to and intended to be installed in or on the Land or the Improvements;
- (e) all plans and specifications for the Improvements;
- (f) all Grantor's rights (but not Grantor's obligations) under any contracts tied to the Land or the Improvements that cannot be transferred elsewhere for Grantor's use;
- (g)
- (h) all Grantor's rights (but not Grantor's obligations) under any documents, contract rights, accounts, commitments, construction contracts (and all payment and performance bonds, statutory or otherwise, issued by any surety in connection with any such construction contracts, and the proceeds of such bonds), architectural contracts and engineering contracts arising from or by virtue of any transactions tied to the Land or the Improvements that cannot be transferred elsewhere for Grantor's use;
- (i) all permits, licenses, franchises, certificates, and other rights and privileges now owned or held or hereafter obtained in connection with the Land and the Improvements;
- (j) all development rights, utility commitments, water and wastewater taps, capital improvement project contracts, utility construction agreements with any governmental authority, including municipal utility districts, or with any utility companies (and all refunds and reimbursements thereunder) tied to the Land or the Improvements;
- (k) all proceeds, to the extent necessary to satisfy amounts owed to Beneficiary, arising from or by virtue of the sale, lease or other disposition of the Land or the Improvements;
- (l) all proceeds (including premium refunds), to the extent necessary to satisfy amounts owed to Beneficiary, of each policy of insurance relating to the Land and the Improvements;
- (m) all proceeds, to the extent necessary to satisfy amounts owed to Beneficiary, from the taking of any of the Land or the Improvements or any rights appurtenant thereto by right of eminent domain or by private or other purchase in lieu thereof, including change of grade of streets, curb cuts or other rights of access, for any public or quasi-public use under any law;
- (n) all right, title, and interest of Grantor in and to all streets, roads, public places, easements, and rights-of-way, existing or proposed, public or private, adjacent to or used in connection with, belonging or pertaining to the Land;
- (o) all of the Leases, rents, royalties, bonuses, issues, profits, revenues, or other benefits of the Land or the Improvements, including without limitation cash or securities deposited pursuant to leases to secure performance by the tenants of their obligations thereunder (subject to the Assignment of Rents made in Article V below); and

- (p) other interest of every kind and character that Grantor now has or at any time hereafter acquires in and to the Land and the Improvements, including rights of ingress and egress and all reversionary rights or interests of Grantor with respect to such property and all of Grantor's rights (but not Grantor's obligations) under any covenants, conditions, and restrictions for the Land, as the same may be amended from time to time, including Grantor's rights, title, and interests thereunder as declarant or developer, if applicable.

Prior Lien(s) (including recording information): None

Other Exceptions to Conveyance and Warranty:

This conveyance is made expressly SUBJECT TO any and all restrictions, covenants, conditions, easements, right-of-ways, and mineral and/or royalty reservations of record, if any, affecting this Property.

For value received and to secure payment of the Note, Grantor conveys the property to Trustee in trust. Grantor warrants and agrees to defend the title to the property. If Grantor performs all the covenants and pays the notes according to their terms, this deed of trust shall have no further effect, and Beneficiary shall immediately release it at Grantor's expense.

Grantor's Obligations

Grantor agrees to:

1. keep the property in good repair and condition;
2. pay all taxes and assessments on the property when due and, by January 31 of the year immediately following, furnishing Beneficiary copies of tax receipts showing that all such taxes and assessments have been paid;
3. preserve the lien's priority as it is established in this deed of trust;
4. maintain, in a form acceptable to Beneficiary, an insurance policy that
 - a. covers all improvements for their full insurable value as determined when the policy is issued and renewed, unless Beneficiary approves a smaller amount in writing;
 - b. contains an 80% coinsurance clause;
 - c. provides fire and extended coverage, including windstorm coverage;
 - d. protects Beneficiary with a standard mortgage clause;
 - e. provides flood insurance at any time the property is in a flood hazard area; and
 - f. contains such other coverage as Beneficiary may reasonably require;
5. comply at all times with the requirements of the 80% coinsurance clause;
6. deliver the insurance policy to Beneficiary and deliver renewals to Beneficiary within twenty days before expiration;
7. keep any buildings occupied as required by the insurance policy; and
8. if this is not a first lien, pay all lien notes that Grantor is personally liable to pay and abide by all prior lien instruments.

Beneficiary's Rights

1. Beneficiary may appoint in writing a substitute or successor trustee, succeeding to all rights and responsibilities of Trustee;

2. If the proceeds of the Note are used to pay any debt secured by prior liens, Beneficiary is subrogated to all of the rights and liens of the holders of any debt so paid;
3. Beneficiary shall apply any proceeds received under the insurance policy to repair or replace damaged or destroyed improvements covered by the policy, unless Grantor is in default of the Note or Deed of Trust in which case insurance proceeds may be applied to reduce Grantor's obligation under the Note or Deed of Trust;
4. If Grantor fails to perform any of Grantor's obligations, Beneficiary may perform those obligations and be reimbursed by Grantor on demand at the place where the Note is payable for any sums so paid, including attorney's fees, plus interest on those sums from the dates of payments at the rate stated in the note for matured, unpaid amounts. The sum to be reimbursed shall be secured by this deed of trust.
5. If Grantor defaults on the Note or fails to perform any of Grantor's obligations or if default occurs on a prior lien note or other instrument, and the default continues after Beneficiary gives Grantor notice of the default and the time within which it must be cured, as may be required by law or by written agreement, then Beneficiary may:
 - a. Declare the unpaid principle balance and earned interest on the note immediately due;
 - b. Request Trustee to foreclose this lien, in which case Beneficiary or Beneficiary's agent shall give notice of the foreclosure sale, as provided by the Texas Property Code as then amended; and
 - c. Purchase the property at any foreclosure sale by offering the highest bid and such purchase shall fully and completely satisfy the Note.

Trustee's Duties

If requested by Beneficiary to foreclose this lien, Trustee shall:

1. Either personally or by agent give notice of the foreclosure sale as required by the Texas Property Code as then amended;
2. Sell and convey all or part of the property to the highest bidder for cash with a general warranty binding Grantor subject to prior liens and other exceptions to conveyance and warranty; and
3. From the proceeds of the sale, pay in this order:
 - a. Expenses of foreclosure;
 - b. To Beneficiary, the full amount of principle, interest, attorney's fees, and other charges due and unpaid;
 - c. Any amount required by law to be paid before payment to Grantor; and
 - d. To Grantor, any balance.

General Provisions

1. If any of the property is reconveyed under this deed of trust, Grantor shall immediately surrender possession to the Beneficiary. If Grantor fails to do so, Grantor shall become a tenant at sufferance of the Beneficiary, subject to an action for forcible detainer.
2. Recitals in any Trustee's deed conveying the property will be presumed to be true.

3. Proceeding under this deed of trust, filing suit or pursuing any other remedy will not constitute an election of remedies.
4. This lien shall remain superior to liens later created even if the time of payment of all or part of the note is extended or part of the property is released.
5. If any portion of the Note cannot be lawfully secured by this deed of trust, payments shall be applied first to discharge that portion.
6. Grantor assigns to Beneficiary all sums payable to or received by Grantor from condemnation of all or part of the property, from private sale in lieu of condemnation, and from damages caused by public works or construction on or near the property. After deducting any expenses incurred, including attorney's fees, Beneficiary may release any remaining sums to Grantor or apply such sums to reduce the note. Beneficiary shall not be liable for failure to collect or to exercise diligence in collecting any such sums.
7. Grantor assigns to Beneficiary absolutely, not only as collateral, all present and future rent and other income and receipts from the property. Leases are not assigned. Grantor warrants the validity and enforceability of the assignment.
8. Interest on the debt secured by this deed of trust shall not exceed the maximum amount of nonusurious interest that may be contracted for, taken, reserved, charged, or received under law; any interest in excess of that maximum amount shall be credited on the principal of the debt or, if that has been paid, refunded. On any acceleration or required or permitted prepayment, any such excess shall be canceled automatically as of the acceleration or prepayment or, if already paid, credited on the principal of the debt or, if the principal of the debt has been paid, refunded. This provision overrides other provisions in this and all other instruments concerning the debt.
9. When the context requires, singular nouns and pronouns include the plural.
10. The term Note includes all sums secured by this deed of trust.
11. This deed of trust shall bind, inure to the benefit of, and be exercised by successors in interest of all parties.
12. If Grantor and Maker are not the same person, the term Grantor shall include Maker.
13. If all or any part of the Property is sold, conveyed, leased for a period longer than three (3) years, leased with the option to purchase, or otherwise sold (including contract for deed), without the prior written consent of Beneficiary, then Beneficiary may at its option declare the outstanding balance of the Note(s), plus accrued interest to be immediately due and payable. The creation of a subordinate lien, any sale thereunder, any deed under threat or order of condemnation, any conveyance solely between Makers, the passage of title by reason of the death of a Maker or by operation of law shall not be construed as a sale or conveyance of the Property.
14. THIS DEED OF TRUST IS GRANTED IN CONJUNCTION WITH THAT CERTAIN ECONOMIC INCENTIVE CONTRACT AND LOAN AGREEMENT OF EVEN DATE.

SIGNED AND AGREED TO on the ____ day of _____, 2010.

_____,
a _____

By: _____
Signature

Its: _____
Title

THE STATE OF TEXAS
COUNTY OF JEFFERSON

§
§
§
§

ACKNOWLEDGEMENT

BEFORE ME, THE UNDERSIGNED Notary Public, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same as the act and deed of _____, a _____, for the purposes and consideration therein expressed, and the Capacities therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the ____ day of _____, 2010.

Notary Public, State of Texas

AFTER RECORDING RETURN TO:

Guy N. Goodson
Germer Gertz, L.L.P.
P.O. Box 4915
Beaumont, Texas 77704

Attachment to Deed of Trust

Legal Property Description

EXHIBIT "D"

CERTIFICATION REGARDING LOBBYING

For Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his knowledge and belief, that:

1. No funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of the City or of the PAEDC in connection with the awarding of any contract, the making of any grant, the making of any loan, the entering into of any cooperative agreement, or modification of any contract, grant, loan, or cooperative agreement.
2. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements), and that all Subs shall certify and disclose accordingly.

This certification is material representation of fact which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction.

By: _____
Signature

Its: _____
Title

EXHIBIT "E"

COMPLIANCE STATEMENT

_____ hereby certifies that it has fully
complied with Local Government Code §176.006, effective June 18, 2005, which
mandates the disclosure requirements for persons who contract or seek to contract
with a local governmental entity.

_____,
a _____

By: _____
Signature

Its: _____
Title

EXHIBIT "F"

PORT ARTHUR 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, for recruitment, referral, and placement of Port Arthur residents, is between the Port Arthur Economic Development Corporation, hereinafter referred to as PAEDC, and _____,

hereinafter, referred to as EMPLOYER. Under this Employment 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 participation in this Agreement will be carried out by the Chief Executive Officer of the Port Arthur Economic Development Board, which is responsible for referral and placement of employees, designated by PAEDC.

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

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

E. 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 this 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. The EMPLOYER will submit to PAEDC, prior to starting work on the project, the names, and social security numbers of all current employees, including apprentices, trainees, and laid-off workers who will be employed on the project.

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 the anticipated hiring dates, of the number of applicants PAEDC will refer. 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. To the extent this Agreement is in conflict with any labor laws or governmental regulations, the laws or regulations shall prevail.

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 company.

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 the EMPLOYER'S Agreement.
2. Notify the party taking possession that full compliance with this Agreement is required in order to avoid termination of 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 EMPLOYER submission of the final request for closure of Agreement from the Board, the EMPLOYER shall:

1. Document in a report to the Compliance 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 Compliance 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 Compliance Officer may waive the requirement that 35% of the new employees hired by the project be Port Arthur residents, if the Compliance 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 the First Source Employment Agreement by the EMPLOYER, or failure to submit the Contract Compliance Report, or deliberate submission of falsified data, may be enforced by the compliance Officer through imposition of penalties, including monetary fines of up to 30% of the total amount economic development incentive awarded as determine by the Board of Directors.

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

EXHIBIT "G"

Port Arthur Economic Development
4173 39th Street
Port Arthur, TX

Attn: Mr. Floyd Batiste

RE: Letter of Intent

Dear Mr. Batiste:

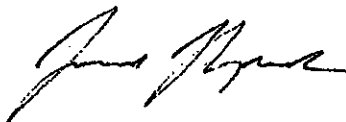
MPW is submitting its letter of intent for possible expansion and incentives.

1) MPW Industrial Services is the leading service provider of integrated technology-based Industrial Cleaning, Facility Management, and Industrial Water in the United States and Canada. With headquarters in Hebron, Ohio, MPW has been responding to their customers' needs from our network of more than 40 locations since 1972. MPW partners with customers to enhance operational efficiencies improve reliability and minimize costs. With state-of-the-art equipment and the most experienced, safety trained workforce in the industry, MPW provides customers with a diverse range of production-enhancement solutions. Being a leader in innovation and maintenance, MPW continually invests in research to develop specialized tooling and proprietary mobile equipment systems to meet the ever-changing requirements of our diverse customer base. Industries served: Power Generation, Pulp and Paper, Steel, Manufacturing, Automotive, Oil and Gas, Chemical, and Aerospace.

2) MPW plans to expand the Industrial Water Division by building a new facility to service the Gulf Coast. MPW plans on building a 35,000 to 45,000 square foot state of the art water treatment facility. MPW will employ 15 to 20 people upon completion and look to expand to an additional 10 to 15 employees within 3 to 5 years.

3) MPW is asking Port Arthur for a competitive offer of incentives. The funds would be used for the following: land, building, process equipment, and possible canal water use. Estimated total investment for the land, building, and process equipment is 6,000,000 to 6,500,000 million. Estimated total investment for mobile equipment is 4,000,000 to 5,000,000 million.

Sincerely,



Jared Black
General Manager
MPW Industrial Services

PHASE I
Port Arthur Economic Development Corporation

Date: 2/17/80

Amount Requested: \$ _____ NAISC Code 541990
 Name of Entity: MPW INDUSTRIAL SERVICES INC
 Contact Party: STEPHANIC COE - General Counsel
 Address: 9711 LANGASTER RD, SE HEBRON OHIO 43025
Street Number City State Zip
 Phone: (714) 922-8790 Fax # (614) 635-3477
Area Code Number Area Code Number
 Business Structure ☒ Corp. ☐ LLC ☐ Partnership ☐ Sole ☐ HUB/MWBE ☐ Non-Profit
 Proprietorship

Business Type ☒ Industrial/ ☐ Recycling ☐ Distribution ☐ Small ☐ Commercial
 Manufacturing 1972 7/1/81 Warehouse

Date Business Established

Date Business Incorporated

Present # of Employees or Total Payroll	<u>no current payroll in Texas</u>
Job Classifications & Wage Scale	<u>see attached worksheet</u>

# of Employees after Grant or Total Payroll	<u>27 estimated</u>
Job Classifications & Wage Scale	<u>see attached worksheet</u>

Ownership of Applicant Company
 Owners with Five (5%) Percent or Greater Ownership of the Company

Name	Title	% of Ownership
<u>MPW INDUSTRIAL SERVICES GROUP, INC.</u>		<u>100%</u>

Other Sources of Funds and/or Equity

List all request and/or approvals of funds from other sources (e.g. banks, credit unions, govt. entities, etc.) together with dates of application, status and funding source contact party name: Current funding sources are business and outside financial participation, amounts of each undetermined at this time.

	Project Cost		Source of Funds
	Amount		
Land	\$ <u>UNKNOWN</u>		<u>TBD</u>
Bldg./Renovation	\$ <u>3,000,000</u>		
Equipment	\$ <u>3,500,000</u>		
Furniture/Fixtures	\$ <u>TBD</u>		
Working Capital	\$ <u>TBD</u>		
Total	\$ _____		

Jared Black
800-842-4355

RECEIVED FEB 22 2010

**City of Port Arthur Section 4A Economic Development Corporation
Grant/Loan Incentive Application**

Date: 2/17/10

Please complete the following information and return along with the requested documents. We will review the information that you provide to determine if you are eligible for assistance from the PABDC.

BUSINESS INFORMATION

Business Name: MPW Industrial Services, INC.

Business Address: 9711 Lancaster Rd S.E., Hebron OH 43025

Business Phone: (740) 927-8790 Business Fax: (614) 635-3477

Email and/or Website Information: www.mpwservices.com

Owners: Please list all owners with Five (5%) Percent or Greater Ownership of the Company

Name	Social Security No.	Date of Birth	Home Address	City, State & Zip	% Ownership
MPW Industrial Services Group INC.			9711 Lancaster Rd SE, Hebron OH 43025		100%

Type of Business Organization: ☐ Not established ☐ Sole Proprietorship ☐ Partnership
☒ S Corp. ☐ C Corp. ☐ LLC
☐ HUB/MWBE ☐ Non-Profit

Type of Business: ☒ Industrial/ Manufacturing ☐ Recycling ☐ Distribution
☐ Warehouse ☐ Commercial

Please describe the type of business (product or service):

Industrial Water Purification

Date Business Established: 1972 Federal Tax ID Number: 31-1014212

Has the business, or any principals of the business been involved in bankruptcy or insolvency proceedings?

☐ Yes ☒ No If yes, please explain: _____

Are there any personal/business judgments, liens, unsettled lawsuits or major disputes?

☐ Yes ☒ No If yes, please explain: _____

Have you taken any business development classes? ☐ Yes ☒ No

Are you working with a counselor at the Small Business Development Center? ☐ Yes ☒ No

Name of Counselor: _____ Phone Number: _____

Are you working with a counselor at the Service Corps of Retired Executives (SCORE)?

☐ Yes ☒ No

Name of Counselor: _____ Phone Number: _____

Have you completed a Business Plan? ☐ Yes ☒ No

If yes, when/by whom was the Business Plan prepared?

Name: _____ Phone Number: _____

**City of Port Arthur Section 4A Economic Development Corporation
Grant/Loan Incentive Application**

Please indicate the percentage of services or goods sold to persons or companies outside of the City of Port Arthur: Unknown at this time

_____ %

Please explain: MPV's customer base will be in the Gulf Coast region, specific customers and related percentages to be determined once the facility is in operation.

Please indicate the percentage of services or goods sold to persons or companies outside of Jefferson County:

_____ %

Please explain: _____

Please indicate the percentage of services or goods sold to persons or companies outside of the Golden Triangle:

_____ %

Please explain: _____

Please indicate the NAICS (North American Industry Classification System) number that applies to your industry, and the name given that number.

For assistance, please see <http://www.census.gov/epcd/naics02/naicod02.htm>

NAICS Number: 541990, Other technical services

Example: 32222/Coated/Laminated Paper Manufacturing

Grant/Loan Incentive Application

City of Port Arthur Section 4A Economic Development Corporation Grant/Loan Incentive Application

PROJECT

Please, briefly describe your project: Construction of a 30,000-45,000 square ft. facility to regenerate mobile industrial water purification equipment

Total amount requested: TBD

Project Cost

	AMOUNT	SOURCE OF FUNDS
LAND	TBD	TBD
BUILDING/RENOVATIONS	3,000,000 est.	> TBD
EQUIPMENT	3,500,000 est.	
FURNITURE/FIXTURES	-	
INVENTORY	-	
WORKING CAPITAL	TBD	
TOTAL:	6,500,000 est.	

Personal cash available to invest in project: \$ _____ Source: _____

What bank have you contacted for financing: _____

Name of Banker: _____ Phone Number: _____

Please list all requests and/or approvals of funds from other sources (e.g., banks, credit unions, governmental entities, etc.) together with dates of application, status and funding source contact information:

Number of Current Employees: FT _____ PT _____

Please list current Job Classifications & Wage Scales:

Job Classification	Wage Scale	No. of Employees in this Classification

Current Total Payroll: \$ NONE

Number of Employees after completion of Project: FT _____ PT _____

Please list projected Job Classifications & Wage Scales:

Job Classification	Wage Scale	No. of Employees in this Classification
<i>see attached worksheet</i>		

Total Projected Payroll: \$ 967,000

Water Management Facility Job Titles	Number of New Employees	Average Starting Wage
Initial Needs		
Plant Manager	1	\$66,000
Plant Supervisor (1st, 2nd shift)	2	\$32,000
Plant Technician	6	\$21,000
Plant Maintenance	1	\$32,000
Maintenance Mechanic	1	\$35,000
Field Service (FS) Technician/ FS Engineer	2	\$45,000
CDL Drivers	5	\$45,000
Plant Engineer	1	\$55,000
Possible Additional Hires		
Plant Supervisor (3rd shift)	1	\$32,000
Plant Technician	3	\$21,000
Operations Manager	1	\$45,000
CDL Drivers	3	\$45,000
Total	27	\$987,000

*Wages based on cost of living for existing MPW plants and are subject to change based on Texas-Lot.

Plant Manager- oversees and ensures quality control of operations at plant

Plant Supervisor- direct supervisor of plant technicians

Plant Technician- Backwashes, regenerates, loads filtration resin media. Loads and unloads filtration units

Plant Maintenance- Does preventative and regular maintenance on equipment in plant

Field Service Technician/Engineer- Designs, troubleshoots, maintains filtration systems

CDL Drivers- Deliver and pick up mobile units to/from customers

Logistics Manager- Coordinates delivery and pick up of filtration systems to and from customers. Disposal

CERTIFICATION: Please read the following and sign the application form below. All owners, officers, partners and/or principals must sign this application.

This is an Equal Opportunity Program. Discrimination is prohibited by Federal Law. Complaints of discrimination may be filed with the appropriate authorities.

The information in this application is provided for the purpose of applying for funds under the City of Port Arthur Section 4A Economic Development Corporation's incentive programs. The information in this application is accurate to the best of my knowledge. I understand that personal and/or business information may be requested pursuant to this application and I hereby give consent for such information to be provided to the City of Port Arthur Section 4A Economic Development Corporation. I also understand that the City of Port Arthur Section 4A Economic Development Corporation retains the sole decision as to whether or not this application is approved, disapproved, or modified. It is my right to accept or decline the grant and/or loan amount, rate, and terms as approved by the Program.

I authorize the City of Port Arthur Section 4A Economic Development Corporation to obtain a credit report on me through the credit reporting agency of its choice. If an adverse credit decision is made due totally or partly to the information on the credit report, the City of Port Arthur Section 4A Economic Development Corporation will give me a copy of the credit report, a summary of my rights under the Fair Credit Reporting Act, and the source of the credit report so that I may contact them if I wish.

I UNDERSTAND THAT ALL INFORMATION SUBMITTED TO THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION WILL BE KEPT ON FILE ACCORDING TO THE RECORDS RETENTION LAWS OF THE STATE OF TEXAS. IF I DO NOT REQUEST THE RETURN OF CERTAIN PRIVILEGED INFORMATION, IT WILL BE DISPOSED OF IN THE MANNER REQUIRED BY LAW.

Name (Printed): Jared L. Black
Signature: [Signature]
Date: 6/24/2010

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

**City of Port Arthur Section 4A Economic Development Corporation
Grant/Loan Incentive Application**

The undersigned, as officers, shareholders, and/or principals of
MPH Industrial Water Services, Inc. ("Applicant"), acknowledge that:

- ☒ there are no elected or appointed public officials with any ownership interest in said company ("Applicant")
- ☐ there are elected or appointed public officials with ownership interest in said company ("Applicant"), listed as below:

Name	Entity	% Ownership

Name (Printed): Jared L. Black
Signature: [Signature]
Date: 6/24/2010

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

**City of Port Arthur Section 4A Economic Development Corporation
Grant/Loan Incentive Application**

**ACKNOWLEDGMENT OF GRANT INCENTIVE CONTRACT
POLICIES AND PROCEDURES**

The undersigned, as officers, shareholders, and/or principals of MPW Industrial Water Services, Inc. ("Applicant"), acknowledge that in conjunction with the Applicant's application for economic incentive assistance from the City of Port Arthur Section 4A Economic Development Corporation ("PAEDC"), the PAEDC may ^{request} ~~require~~ that one or more officers, shareholders and/or principals of Applicant execute personal guarantees and/or security agreement-pledge agreements whereby said officer, shareholder and/or principal may be called upon to either guarantee all or a portion of the obligations of the Applicant and/or pledge all or portion of the officer, shareholder, and/or principal's ownership interest in the Applicant in order to secure performance of the Applicant's obligations. Said potential guarantee and/or pledge may be in addition to any corporate obligation and/or pledge of corporate assets provided by the Applicant in conjunction with its execution of any future Grant Incentive and Loan Agreement. I acknowledge that I have been advised, in advance, of the potential request by the PAEDC for personal liability, whether direct or indirect, and with full knowledge of said potential, I am requesting that the PAEDC continue its investigation, review and consideration of the application filed on behalf of Applicant.

Name (Printed): Jared L. Black
Signature: [Signature]
Date: 6/24/2010

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

Name (Printed): _____
Signature: _____
Date: _____

Provider of Production Enhancement Solutions

Contact Us

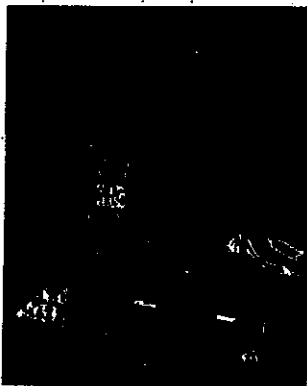
Site Map

Search

go



Service Spotlight



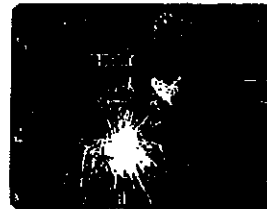
On Friday, April 3, 2009, PPG visited the MPW Corporate Headquarters located in Hebron, Ohio where MPW was presented with the Excellent Supplier Award for 2008 in Recognition of Overall Excellence and Quality of Service.

About Us

MPW Industrial Services is a leading provider of technology-based services to Industrial, manufacturing and process facilities in the United States and Canada. With headquarters in Hebron, Ohio, MPW has over 35 years experience rapidly responding to customer needs from our network of more than 40 offices. MPW's beginning, however, was much smaller.

In 1972, a young entrepreneur, Monte Black, formed a company to provide truck-washing services in central Ohio. He was the only employee of the infant company—he worked seven days a week, first selling and then performing on-site washing services for tractors, trailers, surface mining equipment and structures. While he had entered what was even then a highly competitive industry, he was convinced that hard work, innovation and a commitment to exceed customer expectations would enable him to succeed. He believed that if he “went the second mile” to meet customer needs, his infant company would grow. And it did—adding Waterblasting, Ultra-High Pressure Waterblasting and Cutting, Industrial Vacuuming, Chemical Cleaning, proprietary Container Cleaning and Water Purification Services.

Only one large Industrial cleaning company still retains its original management—MPW. The same entrepreneurial spirit and customer-driven commitment that characterized MPW in 1972 still serves as its driving force today. Monte Black, now chief executive officer, still plays a very hands-on role in the operations of the company, interacting with customers and MPW field personnel to ensure that MPW still exceeds customer expectations.



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e. info@mpwservices.com

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Service Spotlight



On Friday, April 3, 2009, PPG visited the MPW Corporate Headquarters located in Hebron, Ohio where MPW was presented with the Excellent Supplier Award for 2008 In Recognition of Overall Excellence and Quality of Service.

Locations

Corporate Headquarters
9711 Lancaster Road SE
Hebron, Ohio 43025
800-827-8790

Areas of Interest

Water Management Services

150 South 29th Street
Newark, OH 43055
800-842-4355

3205 West Main Street
Sedalia, MO 65301
800-842-4355

420 Stewart Road
Wilkes-Barre, PA 18706
800-842-4355



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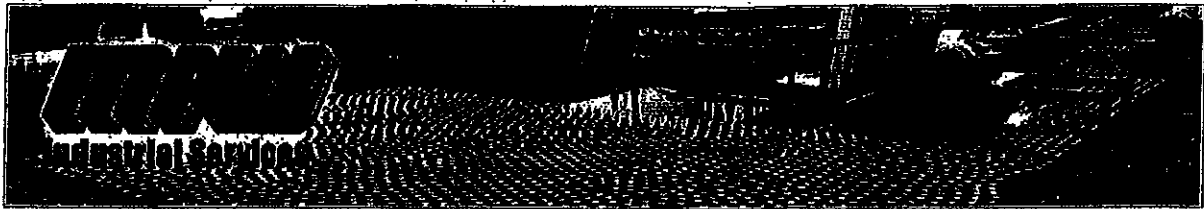
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On Friday, April 3, 2009, PPG visited the MPW Corporate Headquarters located in Hebron, Ohio where MPW was presented with the **Excellent Supplier Award** for 2008 In Recognition of Overall Excellence and Quality of Service.

Services : Water Management

For over twenty years, MPW Water Management has provided expert water services including mobile systems and custom designed water systems to customers. Mobile water treatment services for emergency and short-term needs include deionization, reverse osmosis and filtration. MPW supports existing systems through service exchange deionization and reverse osmosis service. MPW is your single source for water treatment.

Water Systems - MPW designs, builds and services water systems to provide a guaranteed supply of purified water.

Engineering and Design Services - Our fabricators restore and modify equipment on-site or at our fabrication facility.

Deionization - Deionization services are available in mobile form, service exchange or engineered for permanent installation in your facility.

Service Exchange Deionization - Deionized water is produced by flowing feed water through a series of cation, anion and mixed bed tanks of ion exchange resin that are temporarily installed at your site.

Reverse Osmosis - RO systems are available in single or double-pass configurations with up to 800 gpm and include filtration pretreatment.

RO Service - MPW offers system evaluations, membrane autopsies, membrane cleaning, preventative maintenance and engineering support.

Filtration - Filtration systems include cartridge, multimedia, activated carbon, microfiltration and ultrafiltration.

Applications - MPW provides water treatment services for numerous applications including process feed, boiler make-up, pre-commissioning, pollution control and chemical cleaning.

Water Systems

MPW designs, builds and services water systems to provide a guaranteed supply of purified water. Designed and built in-house, our versatile water systems are designed to produce various flow rates and permeate qualities. The two standard designs deliver up to 600 GPM (300 gpm double pass) and up to 350 GPM (150 gpm double pass); however, customizations are available depending on need. Each system is custom engineered, from the initial drawings to the final placement. Systems utilize a variety of water treatments including single and double-pass reverse osmosis systems, pre-filters, ultraviolet sterilizers, gas transfer membranes and deionization vessels. With MPW, you gain water quality experts while minimizing overhead costs and maintaining operational flexibility.



Engineering and Design Services

For over 30 years, MPW has expertly crafted custom designed industrial equipment and water treatment systems. The entirety of MPW's mobile fleet of water systems were designed, fabricated and manufactured in-house. Our fabricators restore and modify equipment on-site or at our fabrication facility. Engineering and repair services include piping and valve repair, painting, and component replacement and additions. MPW has the experience and the resources to manage projects of virtually any magnitude.



Deionization

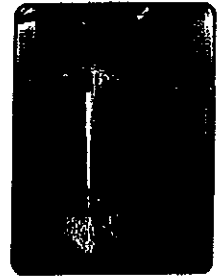
MPW's 10 Million Grain Deminator™ is the world's largest and most economical mobile deionization system. The Deminator™ minimizes logistical delays and mobilization cost by providing double the capacity of competing systems, thereby purifying more water. MPW maximizes capacity by containing more resin per unit and by using weak base anion resin to extend the life of the strong base anion resin. MPW's mobile deionization units contain custom configurations based on your source water analysis. MPW's unique regeneration process minimizes the stress on the resin to maximize its effectiveness. Mobile deionization is ideal for facilities with zero-discharge requirements, as it limits on-site waste.



Service Exchange Deionization

With, deionized water is produced by flowing feed water through a series of cation, anion and mixed bed tanks of resin that are temporarily installed at your site. 15 and 30 cubic foot service exchange vessels are utilized in custom

designed configurations based on the desired flow rate and quality output. With service exchange, the vessels are periodically exchanged with freshly regenerated tanks. Service exchange deionization is a flexible solution for industries that need high quality process water for manufacturing, lab procedures or product finishing.



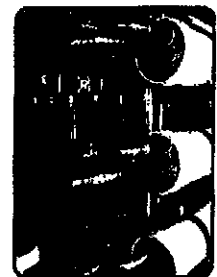
Reverse Osmosis

MPW's mobile reverse osmosis units are complete water systems and require minimal plant monitoring. The 48-foot, insulated and heated trailer units have throughput capacities up to 600 gpm and are available in single-pass or double-pass configurations. Remote monitoring and around-the-clock response is provided through our 24-hour toll-free number. MPW also provides containerized reverse osmosis units and permanent systems.



RO Service

MPW's reverse osmosis service includes membrane cleaning, preventative maintenance and engineering support to improve the quality of your water. MPW increases capacity, flow rate and quality for any size RO system by performing on-site system evaluations or by performing membrane autopsies at MPW's nearest facility. With RO service, MPW can administer regularly scheduled visits by a technician that provides data tracking and trend analysis. In addition to refurbishing and repairing RO systems, MPW offers replacement membranes, filter media and resin.



Filtration

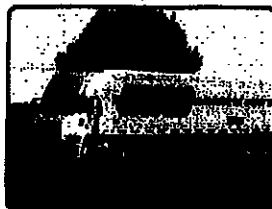
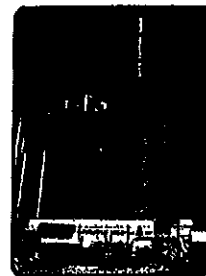
MPW provides various filtration services to remove suspended solids including cartridge filtration, multimedia filtration, activated carbon filtration, microfiltration and ultrafiltration. Mobile pressure filtration units consist of six 90-cubic-foot vessels packed with granulated carbon. Our versatile systems allow any combination of tanks in series or parallel. MPW's microfiltration (MF) and ultrafiltration (UF) systems utilize hollow fiber membrane technology.



Applications

MPW provides water treatment services for numerous applications including process feed, boiler make-up, pre-commissioning, pollution control and chemical cleaning. Treated water is frequently used in the following

Industries: power generation, primary metals, paint production, glass manufacturing, food and beverage applications, pharmaceutical production, and microelectronics manufacturing.



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I. BALANCE SHEETCompiled/reviewed/audited
Date**MPW Industrial Water Services**

Comp	Comp	Comp	Comp	Projections
2006	2007	2008	mm/dd/yy	mm/dd/yy

ASSETS

1 Cash & Mktable Securities	4,300	4,300	3,050		0
2 Accounts Receivable	2,602,791	2,989,426	3,071,782		
3 Inventory	0	0	0		
4 Prepaid Expenses	13,500	47,000	53,500		
5 Supplies	66,800	133,008	164,543		
6 Other Current Assets	178,192	2,578	2,578		
7 Prepaid Supplies			201,965		
8 CURRENT ASSETS	\$2,865,583	\$3,176,312	\$3,497,418	\$0	\$0
9 Net Fixed Assets	8,812,964	14,312,762	24,685,156		
10 Notes Receivable	(8,443,247)	786,089	5,373,456		
11 Investment in Subsidiaries					
12 Intangibles					
13 Land	105,000	105,000	105,000		
14 Construction In Progress	4,746,258	1,630,652	2,129,152		
15 TOTAL ASSETS	\$8,086,558	\$20,010,815	\$35,790,182	\$0	\$0

LIABILITIES & NET WORTH

16 Note Payable - Bank		920,269	2,202,047		
17 Note Payable - Other					
18 Accounts Payable	2,035,165	1,648,043	1,928,481		
19 Accruals	236,119	242,562	223,192		
20 Income Tax Payable					
21 Current Portion of LTD					
22 Note Due from Affiliate	(734,495)	(734,495)	(734,495)		
23 Other Current Liabilities		108,437	12,994		
24					
25 CURRENT LIABILITIES	\$1,536,789	\$2,182,816	\$3,632,219	\$0	\$0
26 Long Term Debt		6,967,821	14,948,420		
27 Subordinated Officer Debt					
28					
29					
30 TOTAL LIABILITIES	\$1,536,789	\$9,150,637	\$18,580,639	\$0	\$0
31 Common Stock					
32 Cap. Surplus & Paid in Cap.					
33 Retained Earnings	6,549,769	10,860,178	17,209,543		
34 (Less) Treasury Stock					
35 TOTAL NET WORTH	\$6,549,769	\$10,860,178	\$17,209,543	\$0	\$0
36 TOTAL LIABILITIES & NW	\$8,086,558	\$20,010,815	\$35,790,182	\$0	\$0
37 Contingent Liabilities					
38 Check if Co. changed Accts.					

II. PROFIT & LOSS STATEMENT

	Number of months	12 %	12 %	12 %	12 %	6 %
Period Ending	2006		2007		2008	
39 Sales	\$18,987,570		\$12,083,340		\$26,374,122	
40 -COGS	12,459,165	68%	6,949,846	58%	16,663,121	63%
41 =Gross Profit	\$6,508,405	34%	\$5,133,494	42%	\$9,711,001	37%
42 -SGA	2,826,780	15%	1,645,922	14%	4,451,970	17%
43 =Operating Profit	\$3,681,625	19%	\$3,487,572	29%	\$5,259,031	20%
44 -Owners Salary						
45a -Depreciation	146,195	1%	74,700	1%	155,148	1%
45b -Amortization	17,712		8,856		17,712	
46 -Interest Expense	612,104		336,070		659,086	
47 -Rent	54,176		58,836		598,100	
48 +/-Other Inc./Exp.	640		(689,686)		567,051	
49 =EBT	\$2,852,078	15%	\$2,319,424	19%	\$4,396,036	17%
50 -Income Taxes	0		0		0	
51 =PAT	\$2,852,078	15%	\$2,319,424	19%	\$4,396,036	17%

III. OPERATING CYCLE

52 +Days Receivable	49	89	42		
53 +Days Inventory	-	-	-		
54 -Days Payable	59	85	42		
55 -Days Accrual	7	13	6		
56 =Operating Cycle	(16)	(9)	(6)		

IV. RATIO ANALYSIS

57 Sales Growth Ratio		-36%	118%		
58 Working Capital	1,328,794	993,496	(134,801)		
59 Current Ratio	1.86	1.46	0.96		
60 Quick Ratio	1.70	1.37	0.85		
61 Debt/Equity Ratio	0.23	0.84	1.08		

Va. CAPITAL EXPENDITURES

62a +Ending Net Fixed Assets	14,312,762	24,686,156		
63a +Depreciation	74,700	155,148		
64a -Beginning Net Fixed Assets	8,812,984	14,312,762		
65a =Net Capital Expenditures	5,574,498	10,527,542		

Vb. RECONCILIATION OF INTANGIBLES

62b +Ending Intangible Assets	\$0	\$0		
63b +Amortization	\$8,856	\$17,712		
64b -Beginning Intangible Assets	\$0	\$0		
65b =Increase (Decrease) Intangibles	\$8,856	\$17,712		

VI. RECONCILIATION OF NET WORTH

66 +Ending Net Worth	\$10,860,178	\$17,209,543		
67 -PAT	\$2,319,424	\$4,396,036		
68 -Beginning Net Worth	\$6,549,769	\$10,860,178		
69 =New Equity (Distributions)	\$1,990,985	\$1,953,329		

PERMANENT WORKING CAPITAL ANALYSIS WORKSHEET

Sales	
COGS	

PART I: THE OPERATING CYCLE

	Year 1	Year 2	Year 3	Year 4	Projected
+Days Receivable	49	89	42		
+Days Inventory	0	0	0		
-Days Payable	59	85	42		
-Days Accrual	7	13	5		
=Operating Cycle	(16)	(9)	(5)		

PART II: PERMANENT WORKING CAPITAL

	Year 1	Year 2	Year 3	Year 4	Projected
+Accounts Receivable	2,602,791	2,989,426	3,071,782	-	-
+Inventory	-	-	-	-	-
-Accounts Payable	2,035,165	1,648,043	1,928,481	-	-
-Accruals	236,119	242,562	223,192	-	-
=PWC	\$ 331,507	\$ 1,098,821	\$ 920,109	\$ -	\$ -


Change in PWC	767,314	(178,712)		
Gross Funds Flow	2,402,980	4,568,896		
-Change in PWC	767,314	(178,712)		
=Operating Cash Flow (Line 78) (GFF - Δ PWC)	\$ 1,635,666	\$ 4,747,608		

VII. CASH FLOW STATEMENT

	Year 2	Year 3	Year 4	Year 2	Year 3	Year 4	Year 2	Year 3	Year 4
OPERATING USES									
73a. +Increase Receivables	386,635	82,358		73b. +Decrease Receivables					
74a. +Increase Inventory		0		74b. +Decrease Inventory					
75a. +Decrease Payables	387,122	0		75b. +Increase Payable					
76a. +Decrease Accruals	0	19,370		76b. +Increase Accruals	8,443				
77a. =Operating Uses	\$773,757	\$101,726		77b. =Operating Sources	\$6,443				
				77c. =Operating Sources	\$280,438				
NON-OPERATING USES									
79a. +Make Capital Expend.	5,574,498	10,527,542		79b. +Self Fixed Assets					
80a. +Buy Other Assets	0	518,212		80b. +Sell Other Assets	3,108,750				
81a. +Incr. Other CIA	0	240,000		81b. +Decrease Other CIA	75,908				
82a. +Repay M/P Bank	0	0		82b. +Borrow M/P Bank	928,289	1,281,778			
83a. +Repay M/P Other	0	0		83b. +Borrow M/P Other	0	0			
84a. +Repay Long-Term Debt	0	0		84b. +Borrow LTD.	8,967,821	7,980,599			
85a. +Repay Sub. Off. Debt	0	0		85b. +Incr. Sub. Off. Debt	0	0			
86a. +Distribution to Owner	0	0		86b. +Invest New Equity	1,980,985	1,953,329			
87a. +Incr. Notes Receivable	9,228,936	4,587,367		87b. +Decr. Notes Receivable	0	0			
88a. +Decr. Taxes Payable	0	0		88b. +Incr. Taxes Payable	0	0			
89a. +Decr. Other Liabilities	0	93,443		89b. +Incr. Other Liabilities	106,437	0			
90a. =Non-Op. Uses	\$14,803,834	\$15,964,564		90b. =Non-Op. Sources	\$13,168,168	\$11,215,706			
				90c. =Non-Op. Sources	\$1,215,706				
Summary									
70. +PAT	\$2,319,424	\$4,386,036		70a. -Non-Op. Uses	14,803,834	15,964,564			
71. +Dep. & Amort.	83,556	172,850		90b. +Non-Op. Sources	13,168,168	11,215,706			
71. =Gross Funds Flow	\$2,402,980	\$4,558,886		81. =NET CASH FLOW	\$0	(\$1,250)			
77a. -Op. Uses	773,757	101,726							
77b. +Op. Sources	6,443	280,438							
78. =Op. Cash Flow	\$1,635,666	\$4,747,808							
90a. -Non-Op. Uses	14,803,834	15,964,564							
90b. +Non-Op. Sources	13,168,168	11,215,706							
81. =NET CASH FLOW	\$0	(\$1,250)							



A Passion For Excellence

	<u>Jared Black</u>	
	Title: General Manager	
	Division: MPW Industrial Water Services, Inc.	
	Phone: 800-842-4355 (office); 614-264-1016 (mobile)	
	Branch: Newark, OH	
	Experience:	12 years working in industrial cleaning and water purification
	Industry Specialization:	Power generation, water purification
Area of Expertise:	Reverse osmosis and deionization equipment, processes and operations	
Job Responsibility:	Operational coordination for Industrial Water Services	
Operational Responsibility:	Manage and direct all operational employees of MPW Industrial Water Services	
Certifications or Degrees:	Bachelor of Business Administration, Ohio University	

**Executive Summary of an Economic Impact Analysis of
MPW Industrial Services, Inc.**

About the Firm

February 27, 2010

MPW Industrial Services, Inc. plans to construct and operate a 30,000 to 45,000 square foot facility to regenerate mobile industrial water purification equipment. The firm will initial invest \$3 million in the facility and \$8 million over the following three years in equipment. The firm will hire 19 workers and add 8 workers within three years. The average annual salaries of these workers will be \$36,425.

Economic Impact Over the Next Ten Years

The following are some of the economic impacts that the Port Arthur area can expect from the firm over the next ten years:

Some of the Economic Impacts of the Firm over the Next Ten Years	
Total number of direct and indirect jobs to be created	33
Total salaries to be paid to direct and indirect workers	\$12,693,802
Total expected additional taxable sales and purchases	\$5,207,623
Total property to be added to local tax rolls over the next ten years	\$5,754,467

Costs and Benefits for the City of Port Arthur Over the Next Ten Years

The City of Port Arthur can expect the following costs and benefits from the firm and direct and indirect employees over the over the next ten years:

Net Benefits for the City of Port Arthur Over the Next Ten Years	
Benefits:	
Sales taxes collections	\$52,076
Property tax collections	\$570,456
Utility revenues	\$78,284
Utility franchise fees	\$6,141
Hotel occupancy taxes	\$372
Other taxes and user fees	\$19,970
Building permits	\$0
Total benefits	\$727,299
Costs:	
Costs of providing municipal services to new residents	\$49,926
Costs of providing utility services to new residents and the firm	\$78,284
Total costs	\$128,209
Net benefits	\$599,090

Net Benefits for Other Local Taxing District Over the Next Ten Years

The County, the School District, Port, Drainage District and Navigation District can expect the following costs and benefits from the firm and direct and indirect employees over the next ten years:

Net Benefits for the County, School District, Port, Drainage District and Navigation District Over the Next Ten Years	
Benefits:	
Property tax collections	\$1,443,108
Sales tax collections	\$38,256
Collections of other taxes and user fees	\$4,993
Additional state and federal school funding	\$201,714
Total benefits	\$1,688,071
Costs:	
Costs of providing county services to new residents	\$9,985
Costs of providing services to new students	\$118,076
Reduction in state aid with the addition of new residential and commercial property on school district tax rolls	\$937,183
Total costs	\$1,065,245
Net benefits for County, School District, Port, Drainage District and Navigation District	\$622,826

Analysis of Incentives being Considered by the City

In addition to tax abatement which may be considered, the City may offer other incentives to the firm. The average annual rate of return on investment, over the next ten years, and payback period for incentives that may be considered are shown below.

Rate of Return and Payback Period for Incentives Being Considered by the City	
Incentives being considered by the City	\$0
Average annual rate of return on investment	Not applicable
Payback period for the investment	Not applicable

**A Report of the Economic Impact of
MPW Industrial Services, Inc.**

**in
Port Arthur, Texas**

February 27, 2010

Prepared by:

**Port Arthur Economic Development Corporation
4173 39th Street
Port Arthur, TX 77642
(409) 963-0579
(409) 962-4445 fax
www.paedc.org**

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**The Economic Impact Analysis Report
MPW Industrial Services, Inc.**

Introduction

This report presents the economic impact of this firm on the Port Arthur, TX area. In addition, the costs and benefits over the next ten years were projected for the City of Port Arthur and other local taxing districts from the firm, its workers and indirect workers.

Description of the Firm and its Operations

MPW Industrial Services, Inc. plans to construct and operate a 30,000 to 45,000 square foot facility to regenerate mobile industrial water purification equipment. The firm will initially invest \$3 million in the facility and \$8 million over the following three years in equipment. The firm will hire 19 workers and add 8 workers within three years. The average annual salaries of these workers will be \$36,425.

Economic Impact of the Facility and Its Employees Over the Next Ten Years

The facility, its new employees and workers in new spin-off jobs created in the Port Arthur area will have the following economic impact on the area over the next ten years:

Economic Impact of the Firm Over the Next Ten Years	
Number of new direct and indirect jobs to be created	33
Number of new residents in Port Arthur	21
Number of new students expected in the school district	5
Salaries to be paid to direct and indirect employees	\$12,693,802
Taxable spending expected in the City of Port Arthur	\$5,207,623
Spending on local motel rooms	\$24,803
Number of new residential units to be built in Port Arthur	2
Taxable value, in the tenth year, of residential property to be constructed for some new direct and indirect workers who move to Port Arthur	\$248,011
Taxable assets at firm's facility in Year 10	\$5,506,456

The portion of the economic impacts shown on the previous page, consisting of new spin-off jobs and spin-off sales expected over the next ten years in existing or new local businesses, is shown below.

Additional Spin-off Jobs and Spin-off Sales in Local Businesses Over the Next Ten Year		
	Additional Spin-off Jobs in Other Local Businesses	Additional Spin-off Sales in Other Local Businesses
Local firms supplying goods and services to the firm	1	\$781,143
Restaurants	1	\$1,041,525
Grocery and convenience stores	1	\$781,143
Other local retail businesses	2	\$1,301,908
Health services	0	\$280,381
Other service businesses	1	\$1,041,525
Total	6	\$5,207,623

Costs and Benefits for Local Taxing Districts Over the Next Ten Years

The City, County, School District, Port, Drainage District and Navigation District can expect costs and benefits over the next ten years from the firm, its new or expanded facility, its new employees and workers in new indirect and induced jobs. These costs and benefits are discussed below, beginning with benefits.

Benefits for Local Taxing Districts

The City and other local taxing districts can expect to receive benefits or additional revenues as a result of the new or expanded facility, over the next ten years, as scheduled below.

Benefits for Local Taxing Districts over the Next Ten Years					
	Sales Taxes	Property Taxes	Utilities	Utility Franchise Fees	Hotel Occupancy Taxes
City of Port Arthur	\$52,076	\$570,456	\$78,284	\$6,141	\$372
Jefferson County	\$38,256	\$262,900			
Port Arthur ISD		\$969,487			
Port of Port Arthur		\$92,303			
Drainage District # 7		\$100,101			
Jefferson County Navigation District		\$18,317			
Total	\$90,332	\$2,013,565	\$78,284	\$6,141	\$372

	Other Taxes and User Fees	Building Permits	Additional State and Federal School Funding	Total
City of Port Arthur	\$19,970	\$0		\$727,299
Jefferson County	\$4,993			\$306,148
Port Arthur ISD	\$0		\$201,714	\$1,171,201
Port of Port Arthur	\$0			\$92,303
Drainage District # 7	\$0			\$100,101
Jefferson County Navigation District	\$0			\$18,317
Total	\$24,963	\$0	\$201,714	\$2,415,370

Costs for Local Taxing Districts

The City of Port Arthur and other local tax taxing districts may incur the following costs as a result of the firm's new or expanded facility and new direct and indirect employees moving to the area, over the next ten years.

Costs for Local Taxing Districts over the Next Ten Years					
	Costs of Services to New Residents	Costs of Providing Utility Services	Costs of Services for New Students	Reduction in State School Funding	Total
City of Port Arthur	\$49,926	\$78,284			\$128,209
Jefferson County	\$9,985				\$9,985
Port Arthur ISD	\$0		\$118,076	\$937,183	\$1,055,260
Port of Port Arthur	\$0				\$0
Drainage District # 7	\$0				\$0
Jefferson County Navigation District	\$0				\$0
Total	\$59,911	\$78,284	\$118,076	\$937,183	\$1,193,454

Net Benefits for Local Taxing Districts Over the Next Ten Years

The net benefits for the City of Port Arthur and other local taxing districts (the extent to which revenues exceed costs) from the new or expanded facility will be as follows, over the next ten years:

Net Benefits for Local Taxing Districts Over the Next 10 Years			
	Benefits	Costs	Net Benefits
City of Port Arthur	\$727,299	\$128,209	\$599,090
Jefferson County	\$308,148	\$9,985	\$298,163
Port Arthur ISD	\$1,171,201	\$1,055,260	\$115,941
Port of Port Arthur	\$92,303	\$0	\$92,303
Drainage District # 7	\$100,101	\$0	\$100,101
Jefferson County Navigation District	\$18,317	\$0	\$18,317
Total	\$2,415,370	\$1,193,454	\$1,221,916

Discounted Cash Flow

The net benefits, shown on the previous page, result in discounted cash flow over the next ten years for each local taxing district, as follows:

Discounted Cash Flow Over the Next Ten Year	
City of Port Arthur	\$446,644
Jefferson County	\$220,996
Port Arthur ISD	\$90,736
Port of Port Arthur	\$68,901
Drainage District # 7	\$74,723
Jefferson County Navigation District	\$13,673
Total	\$815,674

Discounted cash flow is a way of expressing in today's dollars, dollars to be paid or received in the future. Today's dollar and a dollar to be received or paid at differing time in the future are not comparable because of the time value of money. The time value of money is the interest rate or each taxing entity's discount rate. This analysis uses a discount rate of six percent to make the dollars each taxing will receive and the dollars that they will pay comparable -- by expressing them in today's dollars or in present value.

Property Taxes that May be Abated for the Firm by Local Taxing Districts

The firm may qualify for abatement of property taxes on its real and personal property. If tax abatement is considered, the abatement will be at the following percentages:

Percentage of Taxes That May Be Abated					
Year	City	County	Port of Port Arthur	Drainage District # 7	Jefferson County Navigation District
1	0%	0%	0%	0%	0%
2	0%	0%	0%	0%	0%
3	0%	0%	0%	0%	0%
4	0%	0%	0%	0%	0%
5	0%	0%	0%	0%	0%
6	0%	0%	0%	0%	0%
7	0%	0%	0%	0%	0%
8	0%	0%	0%	0%	0%
9	0%	0%	0%	0%	0%
10	0%	0%	0%	0%	0%

The amount of taxes that will be abated is scheduled on the next page.

If tax abatement is being considered for the firm, then the following taxes will be abated or not collected over the next ten years.

Amount of Taxes That May be Abated						
Year	City	County	Port of Port Arthur	Drainage District # 7	Jefferson County Navigation District	Total
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

Inventories that May be Subject to Freeport Exemption

The firm's inventories may qualify for freeport exemption. If requested by the firm, those taxing districts granting freeport exemption will exempt or not collect property taxes on the following percent of the firm's inventories:

Percentage of inventories the may be subject to freeport exemption 0%

If freeport exemption is requested and granted, the following taxes will not be collected over the next ten years as a result of freeport exemption:

Amount of Taxes That May be Exempt on Inventories							
Yr	City	County	School District	Port of Port Arthur	Drainage District # 7	Jefferson County Navigation District	Total
1	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tot	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Incentives, Other than Tax Abatement, That May be Offered to the Firm

The PAEDC's bank may provide a loan to the firm. If a loan is provided, the EDC will receive interest on this loan. Information on the loan and interest to be received are shown below.

Bank Loan to the Firm	
Bank loan to be provided	\$0
Length of loan	0
Percent interest to be received by PAEDC	0%
Interest to be received by PAEDC:	
Over ten years	\$0
Over twenty years	\$0

Financial incentives, other than tax abatement, being considered for the firm by the City or the County are scheduled below:

Incentives Being Considered for the Firm		
Description of Incentive	City	County
Upfront incentives:		
	\$0	\$0
	\$0	\$0
	\$0	\$0
	\$0	\$0
Continuing incentives:		
Year 1	\$0	\$0
Year 2	\$0	\$0
Year 3	\$0	\$0
Year 4	\$0	\$0
Year 5	\$0	\$0
Year 6	\$0	\$0
Year 7	\$0	\$0
Year 8	\$0	\$0
Year 9	\$0	\$0
Year 10	\$0	\$0
Total continuing incentives	\$0	\$0
Total financial incentives	\$0	\$0

Analysis of Incentives that May be Offered to the Firm by the City

This analysis considers the incentives that the PAEDC or the City of Port Arthur may provide to the firm as City investments in the firm.

Four calculations analyzing these investment were made -- net benefits, discounted cash flow, rate of return on investment and payback period. Total net benefits and discounted cash flow for the City are scheduled above. Rate of return on investment and payback period are discussed below and scheduled on the next page.

Rate of return on investment is the average annual rate of return over the next ten years, that the City will receive from additional revenues as a result of the City's investment in the facility. Payback period is the number of years that it will take the City to recover the investment in the facility from additional revenues that the City will receive from the facility and its direct and indirect employees.

Analysis of City Incentives	
Public investment in the facility by the City	\$0
Net benefits that will be received by the City over the next ten years	\$599,090
Average annual rate of return on investment over the next ten years	Not applicable
Payback period of the investment	Not applicable

Analysis of Incentives that May be Offered to the Firm by the County

Rates of return on investment and investment payback calculations on incentives that the County may consider are scheduled below

Analysis of County Incentives	
Public investment in the facility by the County	\$0
Net benefits that will be received by the County over the next ten years	\$296,163
Average annual rate of return on investment over the next ten years	Not applicable
Payback period of the investment	Not applicable

State Aid for the School District

According to the Texas Education Agency, any property added to local tax rolls reduces funding from

the state – dollar for dollar. However, it takes a year for this to affect. Therefore, the analysis shows that the school district keeps or benefits from the first year's property taxes but state funding in subsequent years is reduced by the amount of local property taxes collected. However, according to the Texas Education Agency, the school district will receive state aid for each new child that moves to the District. The additional revenue for the school district is calculated in this analysis.

Conduct of This Analysis

This analysis was prepared by the Port Arthur Economic Development Corporation using a computer program provided to them by Impact DataSource, an Austin, Texas economic consulting and research firm.

This analysis uses some Impact DataSource estimates and assumptions, as well as tax rates and other data obtained from local taxing districts and data supplied by the firm being analyzed in this report. Data used in this analysis is shown in the Data and Rates Used in This Analysis section that follows.

Using this data, the economic impact of the facility and the costs and benefits for the City of Port Arthur, the County, the School District, Port, Drainage District and Navigation District were calculated for a ten-year period.

In addition to the direct economic impact of the firm and its employees, spin-off or indirect and induced benefits were also calculated. Indirect jobs and salaries are created in new or existing area firms, such as service companies, that may supply goods and services to the firm. In addition, induced jobs and salaries are created in new or existing local businesses, such as retail stores, gas stations, banks, restaurants, and service companies that may supply goods and services to workers and their families.

To estimate the indirect and induced economic impact of the facility and its employees on the area, regional economic multipliers were used. Regional economic multipliers for Texas and areas of the state are included in the US Department of Commerce's Regional Input-Output Modeling System (RIMS II).

Two types of regional economic multipliers were used in this analysis: an employment multiplier and an earnings multiplier.

An employment multiplier was used to estimate the number of indirect and induced jobs created and supported in the area. An earnings multiplier was used to estimate the amount of salaries to be paid to workers in these new indirect and induced jobs. The multipliers show the estimated number of indirect and induced jobs created for every one direct job at the facility and the amount of salaries paid to these workers for every dollar paid to a direct worker at the facility. The multipliers used in this analysis are below:

Employment multiplier	0.2102
Earnings multiplier	\$0.2905

Information and rates used in this analysis follow on the next page. In addition, schedules of the results of economic impact calculations are also attached, along with schedules showing the results of calculations of costs and benefits for local taxing districts.

Data and Rates Used in This Analysis

Data and Rates Used In This Analysis

About the Firm

Name of the firm	MPW Industrial Services, Inc.	
The firm's primary NAICS		0541

The Firm's Taxable Assets, Employees and Operations

Taxable value of the firm's new or additional property added each year at its local facility, that will be on local property tax rolls on January 1:

Year	Land	Buildings and Improvements	Furniture, Fixtures and Equipment	Total
1	\$0	\$3,000,000	\$2,400,000	\$0
2	\$0	\$0	\$3,500,000	\$3,500,000
3	\$0	\$0	\$2,250,000	\$2,250,000
4	\$0	\$0	\$2,250,000	\$2,250,000
5	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0
Total	\$0	\$3,000,000	\$10,400,000	\$8,000,000

Percent of construction costs for materials and labor:

Materials	50%
Labor	50%

Percent of construction materials that will be purchased in the City and subject to sales taxes	20%
---	-----

Percent of taxable spending by construction workers that will be in the City	25%
--	-----

Percent of furniture, fixtures and equipment that will be purchased in the City	25%
---	-----

Percent of furniture, fixtures and equipment to be purchased that will be subject to sales taxes	25%
--	-----

Expected City building permits and fees, if applicable:

Year	
1	\$0
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$0

Estimated taxable inventories, at the end of each year:

Year 1	\$0
Year 2	\$100,000
Year 3	\$100,000
Year 4	\$100,000
Year 5	\$100,000
Year 6	\$100,000
Year 7	\$100,000
Year 8	\$100,000
Year 9	\$100,000
Year 10	\$100,000
Total	\$900,000

The firm's monthly utilities:

Year	Water	Wastewater	Solid Waste	Electricity	Natural Gas	Cable
1	\$0	\$0	\$0	\$0	\$0	\$0
2	\$0	\$0	\$0	\$0	\$0	\$0
3	\$0	\$0	\$0	\$0	\$0	\$0
4	\$0	\$0	\$0	\$0	\$0	\$0
5	\$0	\$0	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

The number of telephone lines at the firm's facility

Year	Number
1	0
2	0
3	0
4	0
5	0
6	0
7	0
8	0
9	0
10	0

Percent of the firm's taxable electricity and natural gas that will be for
for manufacturing or processing operations

60%

Estimated taxable purchases in the community:

Year 1	\$0
Year 2	\$200,000
Year 3	\$210,000
Year 4	\$220,500
Year 5	\$231,525
Year 6	\$243,101
Year 7	\$255,256
Year 8	\$268,019
Year 9	\$281,420
Year 10	\$295,491
Total	\$2,205,313

Estimated taxable sales in the community:

Year 1	\$0
Year 2	\$0
Year 3	\$0
Year 4	\$0
Year 5	\$0
Year 6	\$0
Year 7	\$0
Year 8	\$0
Year 9	\$0
Year 10	\$0
Total	\$0

New employees to be hired:

Year	New employees to be hired each year	The number of these new employees who will move to the City from somewhere else to take the job with the firm
1	0	0
2	19	4
3	4	1
4	4	1
5	0	0
6	0	0
7	0	0
8	0	0
9	0	0
10	0	0
Total	27	5

Average annual salaries of new employees in the first year \$36,425

Percent of expected annual salary increases after the first year 3%

Multipliers for calculating the number of indirect and induced jobs and earnings in the community:

Earnings	\$0.291
Employment	0.210

This economic impact analysis uses the above multipliers to project the indirect and induced benefits in the community as a result of the direct economic activity. The employment multiplier shows the number of spin-off jobs that will be created from each direct job. Similarly, the earnings multiplier estimates the salaries and wages to be paid to workers in these spin-off jobs for each \$1 paid to direct workers.

Indirect jobs and earnings, as a percent of total, will be created in the following local businesses:

Indirect jobs -- businesses that supply goods and services to the firm or buy the firm's products 15%

Induced jobs -- businesses that supply goods and services to the employees of the firm and their families and to indirect workers and their families:

Restaurants	20%
Grocery and convenience stores	15%
Other retail businesses	25%
Medical services	5%
Other service businesses	20%

Total 100%

Percent of workers in new indirect and induced jobs created who will move to the City to take a job at the firm	15%
Estimated percent of workers moving to the community who will have new residential property built for them the first year that they move to the City	35%
Household size of a typical new worker moving to the City	3.00
Number of school age children in the household of a typical new worker who will be moving to the City	0.65
Percent of taxable shopping by a typical new worker that will be in:	
The City	45%
Anywhere in the County, including the city of Port Arthur	80%

Out-of-Town Visitors to the Firm

Number of out-of-town visitors expected at the firm in the first year	20
Percent of annual increase in the number of visitors	5%
Average number of days that each visitor will stay in the community	2
Average daily taxable visitor spending, excluding lodging	\$75
Average number of nights that a typical visitor will stay in a local motel	1
Average nightly room rate in a local motel	\$85

Out-of-Town Truckers Loading or Unloading at the Firm

Number of out-of-town truckers expected to load or unload at the firm in the first year	50
Percent of annual increase in the number out-of-town truckers	10%
Average daily taxable by a typical trucker	\$40.00
Percent of truckers who will stay one night in a local motel	25%

Tax Abatements for the Firm

Property taxes, if applicable, will be abated on the following property that will be acquired each year:

Year	Land Improvements	Buildings and Improvements	Furniture, Fixtures, and Equipment	Total
1	\$0	\$2,400,000	\$0	\$2,400,000
2	\$0	\$0	\$3,500,000	\$3,500,000
3	\$0	\$0	\$2,250,000	\$2,250,000
4	\$0	\$0	\$2,250,000	\$2,250,000
5	\$0	\$0	\$0	\$0
6	\$0	\$0	\$0	\$0
7	\$0	\$0	\$0	\$0
8	\$0	\$0	\$0	\$0
9	\$0	\$0	\$0	\$0
10	\$0	\$0	\$0	\$0
Total	\$0	\$2,400,000	\$8,000,000	\$10,400,000

City of Information and Rates

City property tax rate: 0.7920 City sales tax rate: 1%

City hotel/motel tax rate: 2%

The City's utility franchise fee rates:

	Residential	Industrial
Electricity	4%	4%
Natural Gas	4%	4%
Telephone	\$1.04	\$0.95
Cable	5%	5%

The City provides the following residential utilities:

Water	Yes
Wastewater	Yes
Electricity	No
Natural gas	No
Solid waste	Yes
Cable	No

The City will provide utilities and collect sales taxes on the firm's utilities for the following:

	Provides the Utility	Collects Sales Taxes on the Utility	
Water	Yes	No	
Wastewater	Yes	No	
Electricity	No	Yes	
Natural gas	No	Yes	
Solid waste	Yes	No	
Cable	No	Yes	
Average annual bills for city-owned utilities per household			\$1,176.00
Rate of expected annual increase in the above household utility bills (Example: .03 for 3%)			2%
Average annual utility franchise fees to be collected from each household			\$92.25
The City's cost of providing utilities, as a percent of total utility billings:			
For residential customers			100.00%
For the firm included in this analysis			100.00%
Miscellaneous taxes and user fees to be collected annually from each new resident			\$100
Rate of expected annual increase in the above miscellaneous taxes and user fees			2%
The city's expected annual operating expenditures for each new resident in the city, excluding utilities			\$250
Rate of expected annual increase in the above expenditures			2%
County Information and Rates			
County property tax rate			0.365
The County's annual miscellaneous taxes and user fees to be collected from each new resident in the County			\$25
Rate of expected annual increase in the above expenditures			2%

The County's expected annual expenditures for each new resident in the County	\$50
Rate of expected annual increase in the above expenditures	2%

School District Information and Rates

Property tax rate	1.346
The school district's marginal cost of providing services to each new child in the district	\$2,400
The school district's average cost per child	\$8,000
Estimated additional cost that the school district will incur for each child that moves to the district, as a percent of average cost	30%
Rate of expected annual increase in the above costs	3%
Annual state, federal and other funding per child received by the district	\$4,100
Funding received per child from:	
State aid	\$3,800
Federal	\$300
Other	\$0
Rate of expected annual increase in the above state funding	3%

Tax Rates for the Port of Port Arthur

Property tax rate	0.1282
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Tax Rates for Drainage District # 7

Property tax rate	0.1390
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Tax Rates for Jefferson County Navigation District

Property tax rate	0.0254
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Other Community Rates

Discount rate for calculating the present value of costs and benefits	6%
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Inflation rate	3.00%
Percent of the gross salary of a typical worker spends on taxable goods and services	35%
Average taxable value of a new single family residence constructed in the City	\$120,000
Average taxable value of a new multi-family residence constructed in the City	\$72,000
Percent of total new residences that may be built for some new workers moving to the the City:	
Single family residences	70%
Multi-family residences	30%
Average taxable value of new residential property (single and multifamily) constructed in the City	\$105,600
Rate of expected annual increase in the taxable value of residential property in the area	3%
Rate of expected annual increase in the taxable value of commercial property in the area	3%
Percent of the total value of a new house and multi-family housing unit in the area which is for the structure only -- excluding the land cost	90%
Percent of construction costs of new residential property which is for:	
Construction materials	50%
Labor	50%
Percent of total construction materials for new residential property that will be purchased in the City	25%
Percent of salaries of workers constructing residential property in the community that will be spent in the City	25%
Multiplier for calculating salaries to be paid workers in indirect and induced jobs created in the community as a result of construction activities -- construction of the firm's facility, if applicable, and new residential property	0.750

Percentages for computing depreciable or taxable values of FFE and machinery and heavy equipment each year:

Year	Taxable Value of FFE
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%
9	20%
10	20%

FFE will be depreciated using straight line depreciation, a 10 year life and a 20% salvage value.

Schedules of Economic Impacts

Schedules of Economic Impacts

Number of new local jobs and worker salaries to be paid each year:

Year	Direct Jobs	Indirect Jobs	Total Jobs	Direct Salaries	Indirect Salaries	Total Salaries
1	0	0	0	\$0	\$0	\$0
2	19	4	23	\$712,837	\$207,088	\$919,925
3	4	1	5	\$888,795	\$258,206	\$1,147,002
4	4	1	5	\$1,074,670	\$312,205	\$1,386,875
5	0	0	0	\$1,106,910	\$321,571	\$1,428,481
6	0	0	0	\$1,140,117	\$331,218	\$1,471,335
7	0	0	0	\$1,174,321	\$341,155	\$1,515,475
8	0	0	0	\$1,209,550	\$351,389	\$1,560,940
9	0	0	0	\$1,245,837	\$361,931	\$1,607,768
10	0	0	0	\$1,283,212	\$372,789	\$1,656,001
Total	27	6	33	\$9,836,249	\$2,857,553	\$12,693,802

Indirect jobs to be created in the following local businesses:

Yr.	Businesses Supplying Goods and Services to the Firm and Purchasing the Firm's Products	Restaurants	Grocery and Convenience Stores	Other Retail Businesses	Medical Services	Other Service Businesses	Total
1	0.0	0.0	0.0	0.0	0.0	0.0	0
2	0.6	0.8	0.6	1.0	0.2	0.8	4
3	0.2	0.2	0.2	0.3	0.1	0.2	1
4	0.2	0.2	0.2	0.3	0.1	0.2	1
5	0.0	0.0	0.0	0.0	0.0	0.0	0
6	0.0	0.0	0.0	0.0	0.0	0.0	0
7	0.0	0.0	0.0	0.0	0.0	0.0	0
8	0.0	0.0	0.0	0.0	0.0	0.0	0
9	0.0	0.0	0.0	0.0	0.0	0.0	0
10	0.0	0.0	0.0	0.0	0.0	0.0	0
Total	1.0	1.2	1.0	1.6	0.4	1.2	6

Additional sales can be expected in the following local businesses:

Yr.	Businesses Supplying Goods and Services to the Firm and Purchasing the Firm's Products	Restaurants	Grocery and Convenience Stores	Other Retail Businesses	Medical Services	Other Service Businesses	Total
1	\$64,013	\$85,350	\$64,013	\$106,688	\$21,338	\$85,350	\$426,750
2	\$90,380	\$120,480	\$90,360	\$150,600	\$30,120	\$120,480	\$602,399
3	\$80,218	\$106,957	\$80,218	\$133,697	\$26,739	\$106,957	\$534,787
4	\$87,503	\$116,671	\$87,503	\$145,838	\$29,168	\$116,671	\$583,353
5	\$69,092	\$92,123	\$69,092	\$115,154	\$23,031	\$92,123	\$460,615
6	\$71,891	\$95,855	\$71,891	\$119,819	\$23,964	\$95,855	\$479,275
7	\$74,812	\$99,749	\$74,812	\$124,686	\$24,937	\$99,749	\$498,744
8	\$77,859	\$103,812	\$77,859	\$129,765	\$25,953	\$103,812	\$519,059
9	\$81,039	\$108,052	\$81,039	\$135,065	\$27,013	\$108,052	\$540,258
10	\$84,358	\$112,477	\$84,358	\$140,596	\$28,119	\$112,477	\$562,384
	\$781,143	\$1,041,525	\$781,143	\$1,301,906	\$260,381	\$1,041,525	\$5,207,623

Number of new direct and indirect workers and their families who will move to the City and the number of new students in local schools:

Year	New Residents	New Students
1	0	0
2	15	3
3	3	1
4	3	1
5	0	0
6	0	0
7	0	0
8	0	0
9	0	0
10	0	0
Total	21	5

Taxable spending in the City on which sales taxes will be collected:

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Utilities	Total
1	\$423,750	\$0	\$3,000	\$0	\$0	\$426,750
2	\$254,266	\$144,888	\$3,245	\$0	\$200,000	\$602,399
3	\$140,625	\$180,653	\$3,509	\$0	\$210,000	\$534,787
4	\$140,625	\$218,433	\$3,795	\$0	\$220,500	\$583,353
5	\$0	\$224,986	\$4,104	\$0	\$231,525	\$460,615
6	\$0	\$231,735	\$4,439	\$0	\$243,101	\$479,275
7	\$0	\$238,687	\$4,800	\$0	\$255,256	\$498,744
8	\$0	\$245,848	\$5,192	\$0	\$268,019	\$519,059
9	\$0	\$253,223	\$5,615	\$0	\$281,420	\$540,258
10	\$0	\$260,820	\$6,072	\$0	\$295,491	\$562,384
Total	\$959,286	\$1,999,274	\$43,770	\$0	\$2,205,313	\$5,207,623

Spending on motel rooms by out-of-town visitors to the firm:

Year	Motel Spending
1	\$1,700
2	\$1,839
3	\$1,988
4	\$2,150
5	\$2,326
6	\$2,515
7	\$2,720
8	\$2,942
9	\$3,182
10	\$3,441
Total	\$24,803

Number of new residential units to be built in the City:

Year	Number of New Residential Units in the City	Cumulative Number of New Units
1	0	0
2	2	2
3	0	2
4	0	2
5	0	2
6	0	2
7	0	2
8	0	2
9	0	2
10	0	2
Total	2	

The taxable value of new residential property constructed for some new direct and indirect workers who move to the City:

Year	New Residential Property
1	\$0
2	\$195,782
3	\$201,656
4	\$207,706
5	\$213,937
6	\$220,355
7	\$226,965
8	\$233,774
9	\$240,788
10	\$248,011

The taxable value of new residential property constructed for some new direct and indirect workers who move to the City and the firm's taxable property on local tax rolls:

Year	Taxable Value of New Residential Property Constructed for Some New Direct and Indirect Workers Who Move to the City	Value of the Firm's Property on Tax Rolls	Total Taxable Property on City Tax Rolls
1	\$0	\$2,400,000	\$2,400,000
2	\$185,782	\$6,072,000	\$6,267,782
3	\$201,656	\$8,046,160	\$8,247,816
4	\$207,706	\$9,797,545	\$10,005,250
5	\$213,937	\$9,076,221	\$9,290,158
6	\$220,355	\$8,357,258	\$8,577,613
7	\$226,965	\$7,640,726	\$7,867,691
8	\$233,774	\$6,926,697	\$7,160,472
9	\$240,788	\$6,215,248	\$6,456,036
10	\$248,011	\$5,506,456	\$5,754,467

Schedule of Costs and Benefits

Schedule of Costs and Benefits

Costs and Benefits for the City

Benefits for the City:

Sales tax collections on spending:

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Operating Expenses	Total
1	\$4,238	\$0	\$30	\$0	\$0	\$4,268
2	\$2,543	\$1,449	\$32	\$0	\$2,000	\$6,024
3	\$1,406	\$1,807	\$35	\$0	\$2,100	\$5,348
4	\$1,406	\$2,184	\$38	\$0	\$2,205	\$5,834
5	\$0	\$2,250	\$41	\$0	\$2,315	\$4,606
6	\$0	\$2,317	\$44	\$0	\$2,431	\$4,793
7	\$0	\$2,387	\$48	\$0	\$2,553	\$4,987
8	\$0	\$2,458	\$52	\$0	\$2,680	\$5,191
9	\$0	\$2,532	\$56	\$0	\$2,814	\$5,403
10	\$0	\$2,608	\$61	\$0	\$2,955	\$5,624
Total	\$9,593	\$19,993	\$438	\$0	\$22,053	\$52,076

Property tax collections on:

Year	Residential Property	The Firm's Property	Total
1	\$0	\$19,008	\$19,008
2	\$1,551	\$48,090	\$49,641
3	\$1,597	\$63,726	\$65,323
4	\$1,645	\$77,597	\$79,242
5	\$1,694	\$71,884	\$73,578
6	\$1,745	\$66,189	\$67,935
7	\$1,798	\$60,515	\$62,312
8	\$1,851	\$54,859	\$56,711
9	\$1,907	\$49,225	\$51,132
10	\$1,964	\$43,611	\$45,575
Total	\$15,753	\$554,703	\$570,456

Cost and Benefits for the City - Continued

Other taxes and user fees to be collected from new residents:

Year	Misc. Taxes and User Fees	Hotel/motel Taxes	Total
1	\$0	\$26	\$26
2	\$1,530	\$28	\$1,558
3	\$1,873	\$30	\$1,903
4	\$2,229	\$32	\$2,261
5	\$2,273	\$35	\$2,308
6	\$2,319	\$38	\$2,356
7	\$2,365	\$41	\$2,406
8	\$2,412	\$44	\$2,456
9	\$2,460	\$48	\$2,508
10	\$2,510	\$52	\$2,561
Total	\$19,970	\$372	\$20,342

Utility franchise fees collected from new residents and from the firm's facility:

Year	From New Residents	From the Firm	Total Utility Franchise Fees to be Collected
1	\$0	\$0	\$0
2	\$470	\$0	\$470
3	\$576	\$0	\$576
4	\$685	\$0	\$685
5	\$699	\$0	\$699
6	\$713	\$0	\$713
7	\$727	\$0	\$727
8	\$742	\$0	\$742
9	\$757	\$0	\$757
10	\$772	\$0	\$772
Total	\$6,141	\$0	\$6,141

Cost and Benefits for the City - Continued

Utility revenues from new residents and from the firm's facility:

Year	From New Residents	From the Firm	Total Utility Revenues
1	\$0	\$0	\$0
2	\$5,998	\$0	\$5,998
3	\$7,341	\$0	\$7,341
4	\$8,736	\$0	\$8,736
5	\$8,911	\$0	\$8,911
6	\$9,089	\$0	\$9,089
7	\$9,271	\$0	\$9,271
8	\$9,456	\$0	\$9,456
9	\$9,645	\$0	\$9,645
10	\$9,838	\$0	\$9,838
Total	\$78,284	\$0	\$78,284

Building permits and fees to be collected from the firm:

Year	Building Permits & Fees
1	\$0
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$0

Cost and Benefits for the City - Continued

Interest to be received by the EDC on bank loan to the firm:

<u>Year</u>	<u>Interest Revenue</u>
1	\$0
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0
Total	\$0

Costs for the City:

The City's additional costs for new residents and the firm:

<u>Year</u>	<u>Cost of Providing Services to New Residents</u>	<u>Costs of Providing Utilities</u>	<u>Total</u>
1	\$0	\$0	\$0
2	\$3,825	\$5,998	\$9,823
3	\$4,682	\$7,341	\$12,023
4	\$5,571	\$8,736	\$14,307
5	\$5,683	\$8,911	\$14,593
6	\$5,796	\$9,089	\$14,885
7	\$5,912	\$9,271	\$15,183
8	\$6,031	\$9,456	\$15,487
9	\$6,151	\$9,645	\$15,796
10	\$6,274	\$9,838	\$16,112
Total	\$49,926	\$78,284	\$128,209

Cost and Benefits for the City - Continued

Net Benefits for the City:

Year	Benefits	Costs	Net Benefits	Discounted Cash Flow
1	\$23,301	\$0	\$23,301	\$22,086
2	\$63,690	\$9,823	\$53,868	\$48,398
3	\$80,490	\$12,023	\$68,467	\$58,308
4	\$96,757	\$14,307	\$82,450	\$66,555
5	\$90,102	\$14,593	\$75,508	\$57,774
6	\$84,885	\$14,885	\$70,000	\$50,767
7	\$79,703	\$15,183	\$64,520	\$44,354
8	\$74,556	\$15,487	\$59,069	\$38,489
9	\$69,444	\$15,796	\$53,648	\$33,135
10	\$64,370	\$16,112	\$48,258	\$26,779
Total	\$727,299	\$128,209	\$599,090	\$446,644

Costs and Benefits for the County:

Sales tax collections on spending:

Year	Spending during Construction at the Firm and New Residential Construction	Workers' Spending and Taxable Residential Utilities	Spending by Visitors	The Firm's Sales	The Firm's Taxable Purchases and Operating Expenses	Total
1	\$2,119	\$0	\$15	\$0	\$0	\$2,134
2	\$1,271	\$1,610	\$18	\$0	\$1,000	\$3,897
3	\$703	\$2,007	\$18	\$0	\$1,050	\$3,778
4	\$703	\$2,427	\$19	\$0	\$1,103	\$4,252
5	\$0	\$2,500	\$21	\$0	\$1,158	\$3,678
6	\$0	\$2,575	\$22	\$0	\$1,216	\$3,813
7	\$0	\$2,652	\$24	\$0	\$1,276	\$3,952
8	\$0	\$2,732	\$26	\$0	\$1,340	\$4,098
9	\$0	\$2,814	\$28	\$0	\$1,407	\$4,249
10	\$0	\$2,898	\$30	\$0	\$1,477	\$4,406
Total	\$4,796	\$22,214	\$219	\$0	\$11,027	\$38,256

Property tax collections on:

Year	Residential Property	The Firm's Taxes	Total Tax Collections
1	\$0	\$8,760	\$8,760
2	\$715	\$22,163	\$22,877
3	\$736	\$29,368	\$30,105
4	\$758	\$35,761	\$36,519
5	\$781	\$33,128	\$33,909
6	\$804	\$30,504	\$31,308
7	\$828	\$27,889	\$28,717
8	\$853	\$25,282	\$26,136
9	\$879	\$22,686	\$23,565
10	\$905	\$20,099	\$21,004
Total	\$7,260	\$255,640	\$262,900

Costs and benefits for the County - continued

Other taxes and user fees collected from new residents:

Year	Other Taxes and User Fees
1	\$0
2	\$383
3	\$468
4	\$557
5	\$568
6	\$580
7	\$591
8	\$603
9	\$615
10	\$627
Total	\$4,993

County additional costs:

Year	County Costs for New Residents	Total
1	\$0	\$0
2	\$765	\$765
3	\$936	\$936
4	\$1,114	\$1,114
5	\$1,137	\$1,137
6	\$1,159	\$1,159
7	\$1,182	\$1,182
8	\$1,208	\$1,208
9	\$1,230	\$1,230
10	\$1,255	\$1,255
Total	\$9,985	\$9,985

Costs and benefits for the County - continued

Net Benefits for the County:

Year	Benefits	Costs	Net Benefits	Discounted Cash Flow
1	\$10,894	\$0	\$10,894	\$10,326
2	\$27,157	\$765	\$26,392	\$23,712
3	\$34,351	\$936	\$33,414	\$28,456
4	\$41,328	\$1,114	\$40,214	\$32,461
5	\$38,155	\$1,137	\$37,019	\$28,324
6	\$35,700	\$1,159	\$34,541	\$25,051
7	\$33,261	\$1,182	\$32,078	\$22,052
8	\$30,836	\$1,206	\$29,630	\$19,307
9	\$28,428	\$1,230	\$27,198	\$16,798
10	\$26,037	\$1,255	\$24,782	\$14,508
Total	\$306,148	\$9,985	\$296,163	\$220,996

Costs and Benefits for the School District:

Benefits for the School District:

Property tax collections on:

Year	Residential Property	The Firm's Property	Total Tax Collections
1	\$0	\$32,304	\$32,304
2	\$2,635	\$81,729	\$84,364
3	\$2,714	\$108,301	\$111,016
4	\$2,796	\$131,875	\$134,671
5	\$2,880	\$122,166	\$125,046
6	\$2,966	\$112,489	\$115,455
7	\$3,055	\$102,844	\$105,899
8	\$3,147	\$93,233	\$96,380
9	\$3,241	\$83,657	\$86,898
10	\$3,338	\$74,117	\$77,455
Total	\$26,772	\$942,716	\$969,487

**Reduction in State Aid to the School District as a Result of New Property Being
Added to the School District's Tax Rolls:**

Year	Reduction in State Aid
1	\$0
2	\$84,364
3	\$111,016
4	\$134,671
5	\$125,046
6	\$115,455
7	\$105,899
8	\$96,380
9	\$86,898
10	\$77,455
Total	\$937,183

Costs and Benefits for the School District - Continued

Additional state, federal and other school funding:

<u>Year</u>	<u>Additional School Funding</u>
1	\$0
2	\$12,669
3	\$17,399
4	\$22,401
5	\$23,073
6	\$23,765
7	\$24,478
8	\$25,212
9	\$25,969
10	\$26,748
Total	\$201,714

Costs for the school district to educate children of new workers who move to the district:

<u>Year</u>	<u>Costs of Educating New Students</u>
1	\$0
2	\$7,416
3	\$10,185
4	\$13,113
5	\$13,506
6	\$13,911
7	\$14,329
8	\$14,758
9	\$15,201
10	\$15,657
Total	\$118,076

Costs and Benefits for the School District - Continued

Net Benefits for the School District:

Year	Benefits	Reduction in State Aid and Additional Costs	Net Benefits	Discounted Cash Flow
1	\$32,304	\$0	\$32,304	\$30,620
2	\$97,033	\$91,780	\$5,253	\$4,720
3	\$128,414	\$121,200	\$7,214	\$6,144
4	\$157,072	\$147,783	\$9,288	\$7,498
5	\$148,118	\$138,552	\$9,567	\$7,320
6	\$139,220	\$129,366	\$9,854	\$7,146
7	\$130,377	\$120,228	\$10,149	\$6,977
8	\$121,592	\$111,138	\$10,454	\$6,812
9	\$112,867	\$102,099	\$10,768	\$6,650
10	\$104,203	\$93,112	\$11,091	\$6,850
Total	\$1,171,201	\$1,055,260	\$115,941	\$90,736

Benefits for Port of Port Arthur:**Property tax collections on:**

Year	Residential Property	The Firm's Property	Total Tax Collections	Discounted Cash Flow
1	\$0	\$3,076	\$3,076	\$2,915
2	\$251	\$7,781	\$8,032	\$7,217
3	\$258	\$10,311	\$10,570	\$9,001
4	\$266	\$12,556	\$12,822	\$10,350
5	\$274	\$11,631	\$11,905	\$9,109
6	\$282	\$10,710	\$10,992	\$7,972
7	\$291	\$9,792	\$10,082	\$6,931
8	\$300	\$8,877	\$9,176	\$5,979
9	\$309	\$7,965	\$8,273	\$5,110
10	\$318	\$7,057	\$7,374	\$4,317
Total	\$2,549	\$89,764	\$92,303	\$68,901

Benefits for Drainage District # 7

Year	Residential Property	The Firm's Property	Total Tax Collections	Discounted Cash Flow
1	\$0	\$3,335	\$3,335	\$3,162
2	\$272	\$8,439	\$8,711	\$7,826
3	\$280	\$11,182	\$11,463	\$9,762
4	\$289	\$13,616	\$13,905	\$11,224
5	\$297	\$12,614	\$12,911	\$9,879
6	\$306	\$11,615	\$11,921	\$8,646
7	\$315	\$10,619	\$10,934	\$7,517
8	\$325	\$9,627	\$9,951	\$6,484
9	\$335	\$8,638	\$8,972	\$5,542
10	\$345	\$7,653	\$7,997	\$4,682
Total	\$2,764	\$97,337	\$100,101	\$74,723

Benefits for Jefferson County Navigation District:

Year	Residential Property	The Firm's Property	Total Tax Collections	Discounted Cash Flow
1	\$0	\$610	\$610	\$579
2	\$50	\$1,544	\$1,594	\$1,432
3	\$51	\$2,046	\$2,098	\$1,786
4	\$53	\$2,492	\$2,544	\$2,054
5	\$54	\$2,308	\$2,363	\$1,808
6	\$56	\$2,125	\$2,181	\$1,582
7	\$58	\$1,943	\$2,001	\$1,375
8	\$59	\$1,762	\$1,821	\$1,187
9	\$61	\$1,581	\$1,642	\$1,014
10	\$63	\$1,400	\$1,463	\$857
Total	\$506	\$17,811	\$18,317	\$13,673

Port Arthur Economic Development Corporation Economic Impact Data Sheets

The information requested on these data sheets is needed by the Port Arthur Area Economic Development Corporation to perform an economic impact analysis of your firm's proposed facility or expansion in Port Arthur, Texas. Please enter the information requested and email these completed sheets to fbatiste@paedc.org.

Port Arthur Economic Development Corporation
4173 39th Street
Port Arthur, TX 77642
(409) 963-0579
(409) 962-4445 fax
www.paedc.org

If you have any questions concerning the information being requested on these data sheets, please call or e-mail Floyd Batiste, CEO, Port Arthur Economic Development Corporation, fbatiste@paedc.org.

About Your Firm:

Name of firm:

MPW Industrial Services, Inc.

Current address:

9711 Lancaster Road SE
Hebron, Ohio 43025

Phone number: (740) 927-8790

Fax number:

(614) 635-3477

Person completing this form:

Location of the firm's proposed or existing facility in the Port Arthur, TX area:

TBD

Description of the firm's business and plans to develop or expand in the Port Arthur, TX area:

Construction of a 30,000 - 45,000 sq ft facility to regenerate mobile industrial water purification equipment.

The firm's primary NAICS:

541990

Your Firm's Taxable Assets, Employees and Operations:

Market value of the firm's new or additional property purchased each year at its local facility that will be on local property tax rolls on January 1:

Yr.	Land	Buildings and Improvements	Furniture, Fixtures and Equipment	Total
1	TBD	\$3,000,000		\$3,000,000
2			\$3,500,000	\$3,500,000
3			\$2,250,000	\$2,250,000
4			\$2,250,000	\$2,250,000
5				
6				
7				
8				
9				
10				
Total	\$0	\$3,000,000	\$8,000,000	\$11,000,000

Will the costs of buildings and real property improvements be new construction?

☒ Yes ☐ No

Percent of construction costs for materials and labor:

Materials

50%

Labor

50%

(Enter 50% for each if unknown.)

Percent of construction materials that will be taxable and purchased in Port Arthur, if known

20%

(Enter 20% if unknown.)

Percent of taxable spending by construction workers that will be in Port Arthur, if known

25%

(Enter 25% if unknown.)

Percent of furniture, fixtures and equipment that will be purchased in Port Arthur, if known

25%

(Enter 25% if unknown. Machinery and equipment used in manufacturing or processing operations are not taxable.)

Percent of furniture, fixtures and equipment that will be purchased that will be subject to sales taxes

25%

(Enter 25% if unknown. Machinery and equipment used in manufacturing or processing operations are not taxable.)

Estimated taxable inventories, at the end of each year:

Year	
1	\$0
2	\$100,000
3	\$100,000
4	\$100,000
5	\$100,000
6	\$100,000
7	\$100,000
8	\$100,000
9	\$100,000
10	\$100,000

The firm's monthly utilities:

Year	Water	Wastewater	Solid Waste			
1						
2	TBD	TBD				
3						
4						
5						
6						
7						
8						
9						
10						

Percent of the firm's electricity and natural gas usage for manufacturing or processing operations

TBD

Number of phone lines

TBD

The firm's estimated taxable purchases of materials, supplies and services in Port Arthur:

Year	
1	
2	TBD
3	
4	
5	
6	
7	
8	
9	
10	

The firm's estimated taxable sales in the Port Arthur:

Year	
1	
2	TBD
3	
4	
5	
6	
7	
8	
9	
10	

New employees to be hired:

Year	New employees to be hired each year	
1		
2	19	
3	4	
4	4	
5		
6		
7		
8		
9		
10		

Average annual salaries of new employees in the first year

\$36,425

Percent of expected annual salary increases after the first year

3%

Household size of a typical new worker moving to the County

3

(Enter 3 if unknown.)

Number of school age children, grades K-12, in the household of a typical new worker who will move to the County

0.75

(Enter .75 if unknown.)

Other

Will any of the firm's inventories be subject to freeport exemption?

☐ Yes ☒ No

Inventory items used in assembling, storing, manufacturing, repair, maintenance,

processing or fabricating that will be shipped out of Texas within 175 days of being acquired or brought into Texas are generally subject to freeport exemption. Therefore, property taxes are collected on this exempt inventory. However, not all local taxing districts in the Port Arthur, TX area currently offer this tax break.

Percent of the firm's inventories that would be subject to freeport exemption

none

Will the firm apply for freeport exemption, if available?

☐ Yes

☒ No

Out-of-Town Visitors the will Visit the Firm:

Number of out-of-town visitors expected at the firm in the first year

Unknown

Percent of annual increase in the number of visitors

Average number of days that each visitor will stay in the community

Average daily taxable visitor spending, excluding lodging

Average number of nights that a typical visitor will stay in a local motel

Out-of-Town Truckers Loading or Unloading at the Firm

Number of out-of-town truckers expected to load or unload at the firm in the first year

Unknown

Percent of annual increase in the number out-of-town truckers

Average daily taxable by a typical trucker

Percent of truckers who will stay one night in a local motel

**United States of America
State of Ohio
Office of the Secretary of State**

I, Jennifer Brunner, do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign business entities; that said records show MPW INDUSTRIAL WATER SERVICES, INC., an Ohio corporation, Charter No. 1048294, having its principal location in Hebron, County of Licking, was incorporated on December 11, 1998 and is currently in GOOD STANDING upon the records of this office.



*Witness my hand and the seal of the
Secretary of State at Columbus, Ohio
this 12th day of April, A.D. 2010*

A handwritten signature in black ink, appearing to read "Jennifer Brunner", with a long horizontal flourish extending to the right.

Ohio Secretary of State

Validation Number: V2010102A387F8

CITY OF PORT ARTHUR

Pretreatment Program

Permit Application

A. GENERAL INFORMATION

1. Facility Name: MPW Industrial Water Services, Inc.
a. Operator Name: _____ Is the operator identified in 1.a., the owner of the facility? ☒ Yes ☐ No.

2. Facility Address: To Be Determined
Street: _____ City Port Arthur
State: TX Zip: _____

3. Business Mailing Address:
Street: or P.O. Box No. To Be Determined
City: Port Arthur State: TX Zip _____
Phone: _____ Fax _____

4. Designated Signatory Authority of the Facility:
[Attached similar information for each authorized representative]

Name: Jared Black Title: General Manager
Address: 150 S. 29th Street
City: Newark State: OH Zip 43055
Phone: 740-345-2431 Fax: 740-344-7715
Mobile: 614-264-1016 E. Mail: jblack@mpwservices.com

5. Designated Facility Contact:
Name: To Be Determined Title: Plant Manager
Address: To Be Determined
City: Port Arthur State: TX Zip _____
Phone: _____ Fax: _____
Mobile: _____ E. Mail: _____

B. BUSINESS ACTIVITY

1. If your facility employs or will be employing processes in any of the industrial categories or business activities listed below (regardless of whether they generate wastewater, waste sludge, or hazardous waste), place a check beside the category of activity (check all that apply).

INDUSTRIAL CATEGORIES:

- ☐ Aluminum Forming
- ☐ Asbestos Manufacturing
- ☐ Battery Manufacturing
- ☐ Can Making
- ☐ Carbon Black
- ☐ Coal Mining
- ☐ Coil Coating
- ☐ Copper Forming
- ☐ Electric and Electronic Components Manufacturing
- ☐ Electroplating
- ☐ Feedlots
- ☐ Fertilizer Manufacturing
- ☐ Glass Manufacturing
- ☐ Grain Mills
- ☐ Inorganic Chemicals
- ☐ Iron and Steel
- ☐ Leather Tanning and Finishing
- ☐ Metal Finishing
- ☐ Non Ferrous Metals Forming
- ☐ Non Ferrous Metals Manufacturing
- ☐ Organic Chemicals Manufacturing
- ☐ Paint and Ink Formulating
- ☐ Paving and Roofing Manufacturing
- ☐ Pesticides Manufacturing
- ☐ Petroleum Refining
- ☐ Pharmaceutical
- ☐ Plastic and Synthetic Materials Manufacturing
- ☐ Plastic Processing Manufacturing
- ☐ Porcelain Enamel
- ☐ Pulp, Paper, and Fiberboard Manufacturing
- ☐ Rubber
- ☐ Soap and Detergent
- ☐ Steam Electric
- ☐ Sager Processing
- ☐ Textile Mills
- ☐ Timber Products
- ☒ None of the above
- ☒ Other: Water Purification Equipment

2. Give a brief description of all operations at this facility including primary products or services.

The new MPW facility will serve as an operations base for MPW's Water Management division. The primary function of the new facility is to regenerate mobile deionization (DI) systems to serve Gulf Coast customers. Additional functions include logistics, maintenance, and fabrication. MPW's process will require 75,000 to 375,000 gallons of water and sewer per day, depending on our customers' demands and shifts worked. Water, when needed: 200 to 500 gpm, 85% of the time; 500 to 800 gpm, 10% of the time; 800 to 1,000 gpm less than 5%. Sewer: 40,000 gallon batch waste dumps, pH 6 to 9; flow rate to sewer can be over 1,000 gpm for short period of time.

Products Volume

Products (Brand Name)	Last Year Amount per day		Estimated This Year Amount per day	
	Average	Maximum	Average	Maximum
Not Applicable				

C. GENERAL INFORMATION

1. Water Sources: (check all that apply)

- ☐ Private
☐ Surface Water
☒ Municipal Water Utility (specify city): City water and sewer required.
☐ Other (specify): _____

2. Name on the water bill: MPW Industrial Water Services, Inc.
 Street: _____
 City: Port Arthur State: TX Zip: _____

3. Water Service Account Number: To Be Determined.

4. List average water usage on premises: [New facility may estimate]
75,000 to 375,000 gallons of water per day

5. List of any other previous environmental permit: Not Applicable

6. Date commenced discharged to the City: Not Applicable

7. Date of receipt of Baseline Monitoring Report (BMR): Not Applicable

8. Date of receipt of 90 days report for Categorical Industrial Users (CIUs): Not Applicable

9. Certification of or requirement of CIU Total Toxic Organics (TTO); Not Applicable N/A _____
10. Submittal of CIU toxic organic management plan (TOMP) or other management plan; Not Applicable
11. Any planned changes in the production rate by the IU in the future (Yes ☐) (No ☒)
12. Indemnification of sources of discharge (i.e. regulated, dilution flow, unregulated) (used for combined wastestream formula to derive pollutant limits, if applicable) Not Applicable N/A _____
13. Estimation or measurement flow of process and non-process flows; _____ EST ☒ M
14. Continues Flow _____ Batch Flow ☒
15. List of any hazardous waste(s) and description of any storage areas of hazardous waste;
Not Applicable
16. Submittal of Slug Control Plan(emergency spill control plan); To Be Determined.

TYPE	AVERAGE USAGE (gpd)	WATER INDELICATE EST (E) or MEASURED (M)
a. Contact Cooling Water		
b. Non-Contact Cooling Water		
c. Boiler Feed		
d. Process	75,000 to 375,000 gallons of water per day	M
e. Sanitary		
f. Air Pollution Control		
g. Contact Product		
h. Plant and equipment Wash dn		
i. Irrigation and Lawn Watering		
j. Other		
k. TOTAL of A-J	75,000 to 375,000 gallons of water per day	M

D. GENERAL INFORMATION

1. a. For an Existing Business:

- Is the building presently connected to the public sanitary sewer system?
☐ Yes: Sanitary sewer account number: _____
☐ No: Have you applied for a sanitary sewer hookup? ☐ Yes ☐ No

b. For a new Business:

- Will you occupying an existing vacant building (such as in an industrial park)
☐ Yes ☒ No
- Have you applied for a building permit if a new facility will be constructed?
☐ Yes ☒ No, not yet.
- Will you be connected to the public sanitary sewer system?
☒ Yes ☐ No

2. List size, descriptive location, and flow of each facility sewer which connects to the City's sewer system. (If more than three, attach additional information on an another sheet).

SEWER SIZE (inches)	LOCATION OF SEWER CONNECTION OR DISCHARGE POINT	AVERAGE FLOW (gpd)
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One 8" line leaving us.	Industrial Park sewer.	75,000 to 375,000 gal/day.

E. GENERAL INFORMATION

1. Schematic Flow Diagram – For each major activity in which wastewater is or will be generated, draw a diagram of the flow of materials, products, water, and wastewater from the start of the activity to its completion, showing all unit processes. Indicate which processes use water and which generate waste streams. Include average daily volume and maximum daily volume of each waste stream [new facility may estimate]. If estimate are used for flow data this MUST be indicated. To Be Determined.
2. Plans and specifications covering any work proposed to be performed under this permit is attached hereto as EXHIBIT "A". To Be Determined.
3. A plan to the property showing accurately all sewer and drains attached hereto as EXHIBIT "B". To Be Determined.
4. A complete schedule of all process water and industrial waste produced or expected to be produced at said property, including a description of the character of each waste, the daily volume and maximum rates of discharge, representative analysis and compliance with any pretreatment standard or requirements, is attached hereto as EXHIBIT "C".
To Be Determined.

IN CONSIDERATION OF THE GRANTING OF THIS PERMIT THE UNDERSIGNED AGREES:

1. To furnish any additional information relating to the installation or use of the Industrial sewer for which this permit is sought as may be requested by the City.
2. To accept and abide by all provision of Ordinance No. 95-01 of the City of Port Arthur, and all other pertinent Ordinances or regulations that may be adopted in the future.
3. To operate and maintain any waste pretreatment facilities, as may be required as a

condition of the acceptance into the wastewater treatment system of the industrial wastes involved in an efficient manner at all times, and at no expense to the City.

4. To cooperate at all time with the City and his representatives in their inspecting, sampling and study of the industrial wastes, and any facilities provided for pretreatment.
5. To notify the City immediately in the event of any accident, or other occupancies that occasions contributor to the wastewater treatment system of any wastewater or substance prohibited or not covered by the this permit.

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

Signed: _____

Date: April 4, 2010

Title: Engineering Manager

**126 Toxic Pollutant Listed in Consent Decree and Referenced in 307 (a) of
the CWA of 1977. [40CFR Part 122, Appendix D, Table II & III].**

VOLATILES	ACID COMPOUND	BASE/ NEUTRAL
1V. Acrolein	1A. 2-Chlorophenol	1B. Acenaphthene
2V. Acrylonitrile	2A. 2,4- Dichlorophenol	2B. Acenaphthylene
3V. Benzene	3A. 2,4- Dimethylphenol	3B. Anthracene
5V. Bromoform	4A. 4,6- Dinitro-o-cresol	4B. Benzidine
6V. Carbon tetrachloride	5A. 2,4- Dinitrophenol	5B. Benzo(a)anthracene
7V. Chlorobenzene	6A. 2- Nitrophenol	6B. Benzo(a)pyrene
8V. Chlorodibromomethane	7A. 4- Nitrophenol	7B. 3,4- Benzofluoranthene
9V. Chloroethane	8A. p-Chloro-m-cresol	8B. Benzo(ghi)perylene
10V. 2-Chloroethylvinyl-ether	9A. Pentachlorophenol	9B. Benzo(k)fluoranthene
11V. Chloroform	10A. Phenol	10B. Bis (2-chloroethoxy)methane
12V. Dichlorobromomethane	11A. 2,4,6- Trichlorophenol	11B. Bis (2- chloroethyl)ether
14V. 1,1- Dichlorobromomethane		12B. Bis (2- chloroisopropyl)ether
15V. 1,2- Dichloroethylene		13B. Bis (2-ethylhexyl)phthalate
16V. 1,1-Dichloroethylene		14B. 4- Bromophenyl Phenyl ether
17V. 1,2-Dichloropropane		15B. Butylbenzyl Phthalate
18V. 1,3- Dichloropropylene		16B. 2- Chloronaphthalene
19V. Ethylbenzene		17B. 4-Chlorophenyl phenyl ether
20V. Methyl Bromide		18B. Chrysene
21V. Methyl Chloride		19B. Dibenzo (a,h) anthracene
22V. Methylene Chloride		20B. 1,2- Dichlorobenzene
23V. 1,1,2,2- Tetrachloroethane		21B. 1,3- Dichlorobenzene
24V. Tetrachloroethylene		22B. 1,4- Dichlorobenzene
25V. Toluene		23B. 3,3'- Dichlorobenzidine
26V. 1,2- Trans-Dichloroethylene		24B. Diethyl Phthalate
27V. 1,1,1- Trichloroethane		25B. Dimethyl Phthalate
28V. 1,1,2- Trichloroethane		26B. Di-N-Butyl Phthalate
29V. Trichloroethylene		27B. 2,4- Dinitrotoluene
31V. Vinyl Chloride		28B. 2,6- Dinitrotoluene
		29B. Di-N-Octyl Phthalate
		30B. 1,2- Diphenylhydrazine (as azobenzene)
		31B. Fluoranthene
		32B. Fluorene
		33B. Hexachlorobenzene
		34B. Hexachlorobutadiene
		35B. Hexachlorocyclopentadiene
		36B. Hexachloroethane
		37B. Indeno (1,2,2-cd) Pyrene
		38B. Isophorone
		39B. Naphthalene
		40B. Nitrobenzene
		41B. N-Nitrosodimethylamine
		42B. N-Nitrosodi-N-Propylamine
		43B. N-Nitrosodiphenylamine
		44B. Phenanthrene
		45B. Pyrene
		46B. 1,2,4- Trichlorobenzene

PESTICIDES**METALS & CYANIDE**

1P. Aldrin	Antimony, Total
2P. Alpha-BHC	Arsenic, Total
3P. Beta-BHC	Beryllium, Total
4P. Gamma-BHC	Cadmium, Total
5P. Delta-BHC	Chromium, Total
6P. Chlorodane	Copper, Total
7P. 4,4- DDT	Lead, Total
8P. 4,4- DDE	Mercury, Total
9P. 4,4- DDD	Nickel, Total
10P. Dieldrin	Selenium, Total
11P. Alpha-Endosulfan	Silver, Total
12P. Beta-Endosulfan	Thallium, Total
13P. Endosulfan Sulfate	Zinc, Total
14P. Endrin	Cyanide, total
15P. Endrin Aldehyde	Phenols, Total
16P. Heptachlor	
17P. Heptachlor Epoxide	
18P. PCB-1242	
19P. PCB-1254	
20P. PCB-1221	
21P. PCB-1232	
22P. PCB- 1248	
23P. PCB- 1260	
24P. PCB- 1016	
25P. Toxaphane	

ACORD™ CERTIFICATE OF LIABILITY INSURANCEDATE (MM/DD/YYYY)
04/19/10

PRODUCER USI Insurance 1328 Dublin Road, Suite 100 Columbus, Ohio 43215 614 488-7284 Fax 610 537-1930	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED MPW Industrial Services Group, Inc. Mr. Chris Goeller 9711 Lancaster Rd., SE Hebron, OH 43025	INSURERS AFFORDING COVERAGE	NAIC #
	INSURER A: Zurich American Insurance Company	16535
	INSURER B: Commerce & Industry Insurance Co.	19410
	INSURER C: American Zurich Insurance Company	40142
	INSURER D:	
	INSURER E:	

COVERAGES**COVERAGES AS OF 03/31/10**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS												
A	GENERAL LIABILITY	GLO937954406	03/31/10	03/31/11	<table border="1"> <tr><td>EACH OCCURRENCE</td><td>\$1,000,000</td></tr> <tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td>\$300,000</td></tr> <tr><td>MED EXP (Any one person)</td><td>\$5,000</td></tr> <tr><td>PERSONAL & ADV INJURY</td><td>\$1,000,000</td></tr> <tr><td>GENERAL AGGREGATE</td><td>\$2,000,000</td></tr> <tr><td>PRODUCTS - COM/PROP AGG</td><td>\$2,000,000</td></tr> </table>	EACH OCCURRENCE	\$1,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$300,000	MED EXP (Any one person)	\$5,000	PERSONAL & ADV INJURY	\$1,000,000	GENERAL AGGREGATE	\$2,000,000	PRODUCTS - COM/PROP AGG	\$2,000,000
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GENERAL AGGREGATE	\$2,000,000																
PRODUCTS - COM/PROP AGG	\$2,000,000																
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY																
	CLAIMS MADE <input checked="" type="checkbox"/> OCCUR																
	GEN'L AGGREGATE LIMIT APPLIES PER:																
	POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/>																
A	AUTOMOBILE LIABILITY	BAP937954306	03/31/10	03/31/11	<table border="1"> <tr><td>COMBINED SINGLE LIMIT (Ea accident)</td><td>\$1,000,000</td></tr> <tr><td>BODILY INJURY (Per person)</td><td>\$</td></tr> <tr><td>BODILY INJURY (Per accident)</td><td>\$</td></tr> <tr><td>PROPERTY DAMAGE (Per accident)</td><td>\$</td></tr> </table>	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000	BODILY INJURY (Per person)	\$	BODILY INJURY (Per accident)	\$	PROPERTY DAMAGE (Per accident)	\$				
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BODILY INJURY (Per accident)	\$																
PROPERTY DAMAGE (Per accident)	\$																
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	<input type="checkbox"/> ALL OWNED AUTOS																
	<input type="checkbox"/> SCHEDULED AUTOS																
	<input type="checkbox"/> HIRED AUTOS																
	<input type="checkbox"/> NON-OWNED AUTOS																
	GARAGE LIABILITY																
	<input type="checkbox"/> ANY AUTO																
B	EXCESS/UMBRELLA LIABILITY	BE16038747	03/31/10	03/31/11	<table border="1"> <tr><td>EACH OCCURRENCE</td><td>\$10,000,000</td></tr> <tr><td>AGGREGATE</td><td>\$10,000,000</td></tr> <tr><td></td><td>\$</td></tr> <tr><td></td><td>\$</td></tr> <tr><td></td><td>\$</td></tr> </table>	EACH OCCURRENCE	\$10,000,000	AGGREGATE	\$10,000,000		\$		\$		\$		
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AGGREGATE	\$10,000,000																
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	\$																
	\$																
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE																
	<input type="checkbox"/> DEDUCTIBLE																
	RETENTION \$																
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC937954506	03/31/10	03/31/11	<table border="1"> <tr><td><input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER</td><td></td></tr> <tr><td>E.L. EACH ACCIDENT</td><td>\$1,000,000</td></tr> <tr><td>E.L. DISEASE - EA EMPLOYEE</td><td>\$1,000,000</td></tr> <tr><td>E.L. DISEASE - POLICY LIMIT</td><td>\$1,000,000</td></tr> </table>	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER		E.L. EACH ACCIDENT	\$1,000,000	E.L. DISEASE - EA EMPLOYEE	\$1,000,000	E.L. DISEASE - POLICY LIMIT	\$1,000,000				
<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER																	
E.L. EACH ACCIDENT	\$1,000,000																
E.L. DISEASE - EA EMPLOYEE	\$1,000,000																
E.L. DISEASE - POLICY LIMIT	\$1,000,000																
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?																
	If yes, describe under SPECIAL PROVISIONS below																
	OTHER																

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

City of Port Arthur Texas

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Ralph E. Woodges