

RESOLUTION NO. 13-124

A RESOLUTION AUTHORIZING THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION TO ENTER INTO AN ON-THE-JOB TRAINING CONTRACT WITH J.Z. RUSSELL INDUSTRIES, INC. FOR REIMBURSEMENT OF 50% OF THE TRAINING COST FOR PORT ARTHUR RESIDENTS NOT TO EXCEED \$50,000 FOR FISCAL YEAR ENDING SEPTEMBER 2013

WHEREAS, per Resolution 12-047 dated February 7, 2012, the City Council of the City of Port Arthur approved an Economic Incentive Contract & Loan Agreement between the City of Port Arthur Section 4A Economic Development Corporation (the "PAEDC") and J.Z. Russell Industries, Inc. ("J.Z. Russell"); and

WHEREAS, on March 11, 2013, the PAEDC Board of Directors approved entering into an On-the-Job Training Contract with J.Z. Russell, which is an authorized expenditure pursuant to Section 501.162 of the Texas Local Government Code, for a dollar amount not to exceed \$50,000; and

WHEREAS, the On-the-Job Training Contract is to reimburse J.Z. Russell for extraordinary costs associated with skills gap/upgrade training for full-time Port Arthur residents employed by J.Z. Russell; and

WHEREAS, the On-the-Job Training Contract between PAEDC and J.Z. Russell will provide unique opportunities for Port Arthur residents to "learn as they earn", and Port Arthur residents not only will acquire new skills and knowledge, but may receive higher wages and benefits; and

WHEREAS, PAEDC will reimburse J.Z. Russell 50% of the hourly training costs for the creation of new jobs that pay wages which is equal to the prevailing wage for the applicable occupation in the local labor market area, upon the provision of proper documentation.

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

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

Section 2. That the City Council approves PAEDC's allocation of funds not to exceed \$50,000 training reimbursement to J.Z. Russell for fiscal year ending September 30, 2013 as specified in the On-the-Job Training Contract, in substantially the same form as attached hereto as **Exhibit "A"**.

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

READ, ADOPTED AND APPROVED on this 19th day of March A.D., 2013, at a

Meeting of the City Council of the City of Port Arthur, Texas, by the following vote: **AYES:**

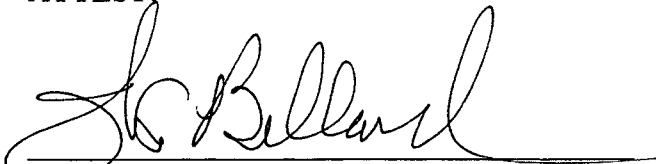
Mayor Prince; Mayor Pro Tem Lem Lewis.

Councilmembers Scott, Segler, Asucet, Williamson, Freeman, and Thomas.

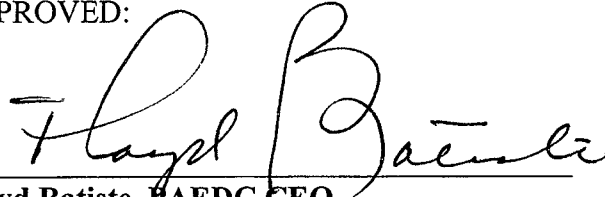
NOES: None.


Deloris "Bobbie" Prince, Mayor

ATTEST:

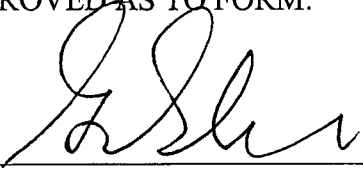

Sherri Bellard, City Secretary

APPROVED:



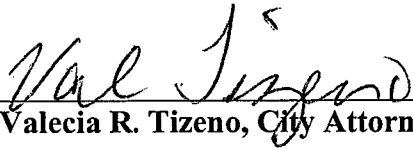
Floyd Batiste, PAEDC CEO

APPROVED AS TO FORM:



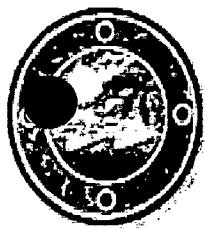
Guy N. Goodson, PAEDC Attorney

APPROVED AS TO FORM:



Valecia R. Tizeno, City Attorney

EXHIBIT “A”



PORT ARTHUR

ECONOMIC DEVELOPMENT CORPORATION

EMPLOYER	PORT ARTHUR ECONOMIC DEVELOPMENT CORPORATION
Name: JZ Russell Industries	Name: Port Arthur EDC
Address: 925 W. Jade	Address: 4173 39th Street
City, ST, Zip: Port Arthur, TX 77640	City, ST, Zip: Port Arthur, TX 77642
Phone: 409-670-7373 Fax: 	Phone: 409-963-0579 Fax: 409-962-4445
Contact: James Russell	Contact: Floyd Batiste

This contract is entered into between the Port Arthur Economic Development Corporation and the Employer: **JZ Russell Industries, Inc.** This contract must be completed and approved by the CEO of the Port Arthur Economic Development Corporation prior to the hiring of the above listed Port Arthur Employee/Trainee.

The Employer agrees to hire the Port Arthur Employee/Trainee/s identified in this contract as a full-time regular employee, and to provide training in the knowledge or skills essential to the full and adequate performance of the job being trained for, as determined in the **Training Information/Outline**. In consideration for the extraordinary costs of providing the training and additional supervision related to the training the Employer will be reimbursed at 50% of the hourly rate not to exceed **\$3,600** per trainee.

The following terms and conditions will apply to this contract:

Port Arthur Employee/Trainee – This contract is to provide for the employment and/or training of the Port Arthur Employee/Trainee identified in this contract. The Employer certifies that the Port Arthur Employee/Trainee was not employed with the Employer prior to the start of the contract. Individuals funded under this contract will be provided benefits and working conditions similar to those of other employees working similar length of time and doing the same type of work. Former employees, relatives and in-laws of the employer are ineligible for enrollment under this contract.

Assurance of Non-Displacement – The Employer assures that:

- No employee has been dislocated from a job due to a relocation of the business. In the case of an employee dislocation, at least 120 days will have elapsed since the date which the establishment commenced operations at the new location. Currently employed workers will not be displaced by any trainee (including partial displacement such as a reduction in hours of non-overtime work, wages or employment benefits).

- In accordance with the type of work conducted by the employer, employees are retained as appropriate for substantially equivalent jobs, and length of employment is appropriate.
- The employer has not terminated the employment of a regular employee or otherwise reduced it's workforce with the intention of filling the vacancy by hiring a trainee whose wages are subsidized, or the job is created in a promotional line that will infringe in any way on the promotional opportunities of currently employed individuals.

Health & Safety Standards – Employer will ensure that Health and Safety Standards established under Federal and State law, protecting the working conditions of employees, is equally applicable to the working conditions of the Port Arthur Employee/Trainee.

Drug Free Workplace – Employer will ensure that a drug-free workplace is provided as required by the Drug-Free Workplace Act of 1998.

Worker's Compensation Insurance – Employer will provide the employee-trainee with Texas Worker's Compensation Insurance or comparable insurance. If the insurance policy expires within the training period of Port Arthur Employee/Trainee, the Employer should inform the Port Arthur Economic Development Board of its renewal prior to the expiration date. Failure to report/update information may nullify this contract.

<i>Workers Compensation (or comparable) Insurance Carrier:</i>		<i>Local Agent (Adjuster) Agency:</i>
<i>Policy Number:</i>	<i>Expiration Date:</i>	<i>Phone Number:</i>

Equal Opportunity – Employer must provide employment without regards to race, creed, color, national origin, disability, sex, age, political affiliation or beliefs, as prescribed by title VII of the Civil Rights Act of 1964 and the Age Discrimination Act of 1967.

Use of Funds – Funds provided under this contract will not directly or indirectly be used for political purposes; in support of any religious or anti-religious activity; or to promote, assist, or deter union organization.

Collective Bargaining Agreements – Employer assures that no activities, work or training under the agreement are in conflict with the terms and conditions of an existing collective bargaining agreement.

Fees – Neither Party to the contract may charge a Port Arthur Employee/Trainee a fee for the referral or placement of the Port Arthur Employee/Trainee under this contract.

Hiring of Undocumented Workers - The employer has not and will not knowingly employ an undocumented worker (defined as an individual who, at the time of employment, is not lawfully admitted for permanent residence in the United States, or is not authorized under law to be employed in that manner in the United States) as detailed in Texas Government Code, §2264.001(4).” If, after receiving a public subsidy, the entity is convicted of a violation under 8 United States Code §1324a(f) (relating to the unlawful employment of undocumented workers) the entity shall repay the amount of the public subsidy with interest, at the rate provided under the contract issued pursuant to this offer or application, within 120 days of receiving the notice of violation.

Time and Attendance Records – Employer must maintain original time/attendance records for each Port Arthur Employee/Trainee for a period of at least 1 year or a longer period if any litigation or audit requires such.

Progress Reviews/Monitoring – the Port Arthur Economic Development Corporation representative will visit the Employer work site during the training period to review and/or discuss employee progress.

Port Arthur Employee/Trainee Termination – In the event of problems with the Port Arthur Employee/Trainee, which may lead to termination, the employer will initiate prompt communication with the Port Arthur Economic Development Corporation representative. Termination of the Port Arthur Employee/Trainee prior to forty (40) hours of employment (for any cause) will result in no reimbursement to Employer.

Training Reimbursements – This contract is written on a cost reimbursement basis. Employer reimbursement is up to 50% of the Port Arthur Employee/Trainee’s wages not to exceed **\$50,000** during the agreed upon training period. Reimbursement may not occur for paid holidays, overtime, sick pay, vacation pay, or period of leave. OJT/Subsidized Employment may not exceed 8 hours a day or more than 40 hours per week.

Billing Procedures – Payment to Employer will be made within thirty (30) calendar days upon receipt of employee payroll report that includes the following information:

- Full name, address, social security number, employee number (if applicable), job title;
- Hourly wage paid during the training period;
- Total regular hours worked during the training period; and
- An evaluation of the trainee’s progress according to training objectives.

By signing this agreement, I attest that I am an authorized official representing my respective party and will abide by the terms of this agreement.

Port Arthur Economic Development Corporation
CEO

Employer Representative
Authorized Signature

Signature *Date*

Signature *Date*

Typed/Printed Name

Typed/Printed Name

Title of Program Agent

Title of Authorized Representative

**Port Arthur EDC - OJT Employment Program
Training Information Outline**

JZ Russell	Non-Destructive Examiner Asst. (NDE)
Company Name	Position

Skill(s)	Training hours needed to learn Skill
1 Industrial Safety Training	40
2 Radiation Safety	40
3 Penetrant Testing	80
4 Wet Magnetic Particle Testing	80
5 Ultrasonic Testing	120
6 Radiographic Testing	120
7	
8	
9	
10	
11	
12	
13	
14	
Total Hours of Training Needed	480

