Port Arthur Economic Development Corporation

MEETING MINUTES
Regular Board Meeting
501 Procter Street, Ste. 100, Port Arthur, TX 77640
Monday, September 9, 2024
6:00 PM

CALL TO ORDER

The Board of Directors of the City of Port Arthur Economic Development Corporation met in a Regular Meeting on Monday, September 9th, 2024. The meeting was called to order at 6:03 p.m.

ROLL CALL, INVOCATION & PLEDGE

The following Board Members were present:

Beverly Raymond (arrived at 6:12), Kaala Jacobs (arrived at 6:25), Jerry LaBove, Morris Albright, Melvin Getwood and Darrel Anderson.

The invocation was given by Darrel Anderson.
The Pledge of Allegiance followed the Invocation.

I. MINUTES

08/05/2024 Regular Meeting
08/19/2024 FY 2024/2025 Budget Workshop

A motion was made by Morris Albright and seconded by Melvin Getwood to approve the meeting minutes of 08/05/2024 Regular Meeting and 08/19/2024 FY 2024/2025 Budget Workshop. The vote was unanimous, all in favor. Motion carried.

II. PETITIONS & COMMUNICATIONS

1. **Speakers (limited to 3 min. ea.)**

   None

2. **Presentations**

   A. President Anderson: Status of PAEDC staff

   President Anderson distributed a letter from the PAEDC's attorneys, addressing questions regarding PAEDC staff for legal clarity. The attorneys were asked three key questions: whether PAEDC staff are considered City of Port Arthur employees, whether outsourcing HR and payroll to the city is legally required, and whether the PAEDC must follow the city's personnel policies by law. The attorneys' responses are *recorded in the letter distributed to the Board and filed in the PAEDC's public records.*

B. President Anderson: Preparations for the CEO's annual review

President Anderson reminded the Board that it is time for the CEO's annual evaluation and asked them to complete the included document outlining their expectations for the CEO's objectives. He requested that they submit the completed forms to him as soon as possible, prior to the November Board meeting.

C. Mrs. Vivian Ballou, Executive Director of Legacy CDC: Regarding the Downtown Redevelopment and Gifford Pond Projects

Ms. Ballou informed the Board that, although they previously received the Board's approval to restart and expand the downtown revitalization project, they have been unable to place it on a ballot due to the lack of elections by COPA. She requested the Board's assistance or sponsorship to include the item on an upcoming ballot. Additionally, she asked for support in installing water infrastructure and street improvements at Legacy at Gifford Pond to facilitate the construction of 25 new homes on a dormant property and attract mixed-income residents to the downtown area.
CEO Stokes clarified "if this item went back on the ballot, if the voters voted to bring the program back to life, the PAEDC would then issue an aggressive RFP process to basically secure a provider."

The Board elected to continue with the following two unscheduled presentations, despite them not being on the agenda.

D. City Manager, Ronald Burton / City Attorney, Roxann Cotroneo:

The City Manager, Mr. Burton, introduced Ms. Roxann Cotroneo, the newly appointed City Attorney, to the Board. Ms. Cotroneo provided a brief introduction of herself and expressed her readiness to collaborate with the PAEDC.

E. Director of Parks and Recreation, Chandra Alpough:

Ms. Alpough expressed gratitude to the Board for the PAEDC's funding to the Parks and Recreation department, which was secured through a voter-approved proposition providing $1 million annually for three years, now up for renewal. She updated the Board on the department's use of the funds, highlighting the development of two plans: The Rose Hill Master Plan, and the Lucian Adams Park Master Plan. The department is also considering a due diligence environmental study for Adams Park and the purchase of land for a recreation center. Ms. Alpough noted that additional funding will be requested for another three years and clarified that a two-thirds City Council vote is required for approval. She requested the Board's recommendation to the Council. President Anderson and Director Raymond requested copies of the Master Plan books.

3. **Communications**

A. Letter from Joe Tant, Greater Port Arthur Chamber of Commerce Invitation to the Contractors Business Development Group Meeting Wednesday, September 11th, 2024, at 9:00 AM on Lamar State College Port Arthur Campus

CEO Stokes informed the Board that the Chamber of Commerce and PAEDC were scheduled to host the Texas Manufacturers Association Council on September 11th, but it has been postponed to October due to bad weather. He will update them on the new date.

B. Reminder: Golden Triangle Days in Austin 2025

CEO Stokes informed the Board that the Golden Triangle Days event will take place on March 3rd and 4th, 2025. Staff will send a poll email to determine who plans to attend so that registrations and hotel rooms can be reserved promptly.

C. SBDC's 2024 Small Business Symposium

CEO Stokes informed the Board that the annual Small Business Symposium, hosted by the Small Business Development Center, will take place on September 26th, with a keynote speaker from Retail Strategies. He noted that the PAEDC is a sponsor and invited the directors to attend.

III. REPORTS

1. CEO's Report | Discussion

a. Update on Corporation's Change of Name

CEO Stokes informed the Board that the corporation's name has been changed to Port Arthur Economic Development, removing the "Type A, Section 4A" from the name. The PAEDC's attorneys are drafting a resolution to be presented to the city council for formal acknowledgment and approval of the name change.

b. Update on the Port Arthur Residents trained via the PAEDC_LSCPA ITF Training Agreement

CEO Stokes informed the Board that the names and addresses of Port Arthur residents who completed the PAEDC_LSCPA ITF Training Program, as previously requested, are now available. Due to the sensitive nature of the information, the PAEDC attorneys included a personalized letter. Only Director Raymond took the letter and list.

c. Update on PAEDC's Incentive Application Process

CEO Stokes shared the revised policies and procedures for the PAEDC's Flagship program with the Board and will present the remaining three programs—Infrastructure, Grow Port Arthur, and Micro Loan—next month.

d. Staffing Update

CEO Stokes informed the Board that the new PAEDC Workforce and Community Development Manager is expected to be introduced by the October meeting. After filling this position, the focus will shift to hiring for the Marketing and Insights Manager role.

e. Update on items revised proposed Bylaws and Policy and Procedures manual

CEO Stokes informed the Board that the PAEDC attorneys are still revising the Bylaws and Policies and Procedures manual based on their suggestions. The attorney advised the Board that once the revised documents were ready, the Board may choose which document to include the updated Code of Ethics in to and recommended presenting both documents to the City Council together.

f. The Press Building Open House (Not on the agenda originally)

CEO Stokes announced that the official date for The Press Building Open House is Monday, October 21st, 2024, from 2 PM to 6 PM as presented in the Save the Date provided to the Board.

IV. UNFINISHED BUSINESS

1. Review, discussion, and possible action regarding entering a Professional Services and Consulting Agreement with Retail Strategies, LLC for the provision of a service associated with the implementation of the City of Port Arthur's Downtown Revitalization Plan

A motion was made by Kaala Jacobs and seconded by Beverly Raymond to review, discuss, and take possible action regarding entering a Professional Services and Consulting Agreement with Retail Strategies, LLC for the provision of a service associated with the implementation of the City of Port Arthur's Downtown Revitalization Plan.
CEO Stokes shared that the City Manager, Ron Burton, provided a letter of commitment for the implementation of the COPA Revitalization Plan. He recommends the Board's approval, if the Board finds the letter satisfactory, so it can be sent to the City Council for final approval.
Director Raymond moved to postpone the item to the next meeting to allow more time for review, with Director Albright seconding the motion. The vote was unanimous, all in favor. Motion carried.

2. Review, discussion, and possible action regarding the City of Port Arthur's reimbursement of expenses to the PAEDC for the Lift Station Rehabilitation at the Spur 93 Business Park. (Request of Director LaBove)

A motion was made by Morris Albright and seconded by Beverly Raymond to review, discuss, and take possible action regarding the COPA's reimbursement of expenses to the PAEDC for the Lift Station Rehabilitation at the Spur 93 Business Park.
CEO Stokes reported that he followed the Board's directive to initiate discussions with the City Manager concerning reimbursement for the replacement of the lift station at Spur 93. A letter from the head of the water utilities department detailing their response was

provided to the Board. Director Albright instructed the CEO to seek further clarification on two additional questions that he posed.
"If they didn't want to go down this road, why did they get into a separate agreement with MPW on what they would charge them for water and waste? And then the second one is: What major maintenance costs are they saying that we assume?"

3. Review, discussion, and possible action regarding the PAEDC CEO's P-Card transactions and all supporting documentation over the past twelve (12) months (Request of Director LaBove)

   Director Morris Albright moved to remove this item from the agenda, and the motion was seconded by Director Beverly Raymond.

4. Review, discussion, and possible action regarding documentation provided by the City of Port Arthur's City Manager and Human Resources Director as it relates to the hiring process of the PAEDC's Business Attraction, Retention, and Expansion Manager (Request of Director LaBove)

   A motion was made by Beverly Raymond and seconded by Morris Albright to review, discuss and take possible action regarding documentation provided by the City Manager and the HR Director regarding the hiring process of the PAEDC's B.A.R.E Manager. Director Morris Albright moved to remove this item from the agenda, and the motion was seconded by Director Beverly Raymond.

V. CONSENT AGENDA ITEMS

1. Review, discussion, and possible action regarding consideration of a proposal by Preferred Facilities Group for the façade repairs of the building at 501 Procter Street

   A motion was made by Morris Albright and seconded by Beverly Raymond to review, discuss, and approve a proposal by Preferred Facilities Group for the façade repairs of the building at 501 Procter Street. The vote was unanimous, with all members in favor. The motion carried.

   Director Albright posed a question to Attorney Red as to the PAEDC staff's legal ability to procure emergency repairs. The attorney responded that the Board would need to include language in the governing documents, such as the bylaws or policies and procedures, authorizing staff to bypass certain procurement policies when related to emergency related events that would allow staff to respond promptly to maintenance emergencies that could cause further damage if not addressed immediately, without needing prior Board approval. The Board directed the attorney to add this language.

2. Review, discussion, and possible action regarding the renewal of the Technical Assistance Agreement with Grow America (Current agreement expires November 29, 2024)

   A motion was made by Melvin Getwood and seconded by Beverly Raymond to review, discuss, and approve the renewal of the Technical Assistance Agreement with Grow America. The vote was unanimous, with all members in favor. The motion carried.

3. Review, discussion, and possible action regarding CEO's travel for October

A motion was made by Beverly Raymond and seconded by Kaala Jacobs to review, discuss and approve the CEO's travel for October. CEO Stokes informed the Board of his planned attendance at the 2024 Future of Global Energy Conference in Houston and the TEDC 2024 Annual Conference in October. He anticipates two additional employees joining him, with their costs remaining the same. The vote was unanimous, with all members in favor. The motion carried.

VI. NON-CONSENT AGENDA ITEMS

1. Review, discussion and possible action to approve the underwriting of the administrative fees to place a measure on the November 5, 2024, ballot. The measure would seek to renew the Down Payment Assistance Program related to the Downtown Redevelopment and Gifford Pond Projects, contingent on the Port Arthur City Council's decision to bring it to voters.

   A motion was made by Morris Albright and seconded by Kaala Jacobs to review, discuss and take possible action to approve the underwriting of the administrative fees to place a measure on the November 5, 2024, ballot. The measure would seek to renew the Down Payment Assistance Program related to the Downtown Redevelopment and Gifford Pond Projects, contingent on the Port Arthur City Council's decision to bring it to voters. Attorney Red explained that the issue at hand appears to involve two separate ballot measures: 1) whether to continue the program, and 2) whether to expand it geographically if continued. Mr. Stokes mentioned that further clarification would be needed from the COPA's attorney, depending on the City Council's decision to proceed. Director Kaala Jacobs made an amendment to the current motion, seconded by Morris Albright, to approve the underwriting of the administrative fees for placing the ballot measure for the May 2025 ballot using the language that was approved in February for this item not to exceed $50,000. The vote was unanimous, with all members in favor. The motion carried.

2. Review, discussion, and possible action regarding the approval of the PAEDC Fiscal Year 2024-2025 Budget

   A motion was made by Morris Albright and seconded by Melvin Getwood to approve the proposed PAEDC Fiscal Year 2024-2025 budget.
   CEO Stokes explained that the new proposed budget will double both the number of interns for the Youth Employment Program and the scholarships issued. He also noted that staff salaries and benefits will depend on negotiations but must stay within the Board-approved budget, with allocation at his discretion. Additionally, he will send the Board a spreadsheet outlining the salary ranges.
   The vote was tied at 3-3, so the motion failed.
   The vote was as follows:
   No: Beverly Raymond, Jerry LaBove, Morris Albright
   Yes: Kaala Jacobs, Melvin Getwood, Darrel Anderson

3. Discuss Jade Avenue Business Park (Request of Director LaBove)

   CEO Stokes explained that the plan for the Business Park is to develop it into a full-scale industrial park connected to Spur 93. However, the covenants will need minor adjustments to allow for laydown yards, which can be achieved with a simple vote. They plan to seek U.S. Department of Commerce funding for the necessary infrastructure to bring the park *online. Meanwhile, discussions with potential clients for the Jade Avenue Business Park are ongoing.*

4. Review, discussion and possible action regarding issuing a Request for Proposals (RFP) to secure a vendor to provide programming and management of the PAEDC's Kitchen located in the Press Building (Request of Director Albright)

   Morris Albright made a motion to review, discuss and take possible action regarding issuing an RFP to secure a vendor for the PAEDC's Kitchen located in the Press Building. After some discussion, Morris Albright made a motion to remove this item from the agenda which was seconded by Kaala Jacobs. The vote was unanimous all in favor, motion carried.

5. Review, discussion and possible action regarding buying a corporate vehicle for the use of the PAEDC staff (Request of Director Albright)

   Morris Albright made a motion to remove non-consent agenda item number five. Seconded by Beverly Raymond. The vote was unanimous all in favor, motion carried.

VII. CLOSED SESSION (EXECUTIVE SESSION)

The Board entered a closed/executive session at 8:27 PM to discuss the items listed below.

In Order to Comply with The Requirements of Chapter 551 (Open Meetings Law) of The Texas Government Code, Prior To Going into Closed Meeting the Presiding Officer to Port Arthur Economic Development Corporation's Board of Directors Should Make the Following Public Announcement:

"A Closed Meeting or Executive Session Will Be Held Pursuant to The Following Sections of Chapter 551, Texas Government Code,

1. Section 551.087 - To discuss incentives for commercial and industrial business prospects.

   A. Texas Desserts, doing business as Rao's Bakery

   B. Korpal Enterprises

2. Section 551.072 – To deliberate the purchase, exchange, lease, or value of real property.

   A. Mid-City Plaza, LLC

***The Items in Executive Session May Be Discussed and Acted on In Open Session"**

The PAEDC Board reserves the right to adjourn into executive session at any time to discuss any of the matters listed on the agenda as authorized by the TEXAS GOVERNMENT CODE §551.071, (Consultation with Attorney), §551.072, (Deliberations about Real Property), §551.074, (Personnel Matters), §551.087 (Economic Development) or any other exception authorized by Chapter 551 of the Texas Government Code.

VIII. RECONVENE IN OPEN SESSION

The Board reconvened in open session at 9:18 PM.
The following Board Members were present:

Beverly Raymond, Kaala Jacobs, Jerry LaBove, Morris Albright, Melvin Getwood and Darrell Anderson.

1. Review, discussion, and possible action regarding the approval of a Purchase and Sale of Land Agreement with Mid-County Plaza, LLC

   Beverly Raymond made a motion and was seconded by Melvin Getwood to approve the purchase and sale of a land agreement with Mid-County Plaza, LLC. The vote was unanimous all in favor. Motion carried.

IX. FUTURE AGENDA ITEMS OR REQUESTED REPORTS

There were no future agenda items requested.

IX. MEETING ADJOURNED

Morris Albright made a motion to adjourn the meeting, seconded by Kaala Jacobs. The vote was unanimous, all in favor. Meeting adjourned at 09:19PM.

APPROVED BY THE BOARD OF DIRECTORS ON THE 14TH DAY OF OCTOBER, 2024.

Kaala Jacobs

SECRETARY OF THE CORPORATION