

MISSISSIPPI PORT AUTHORITY

BOARD OF COMMISSIONERS

REGULAR MEETING

April 27, 2017

Minutes of the Mississippi State Port Authority Board of Commissioners Meeting,
Thursday, April 27, 2017 at 2510 14th Street, Suite 1450, Gulfport, Mississippi at which
the following Commissioners and staff were present:

Commissioners: Robert J. Knesal, President
James C. Simpson, Jr.
Jack Norris, Treasurer
E.J. Roberts, Commissioner

Staff: Jonathan Daniels, Executive Director/CEO
Matthew Wypyski, Chief Operating Officer
John Webb, Director of Engineering
Kim Purchner, Executive Asst./HRO
Carlos Bell, Director of Public Engagement
Mel Arsenault, Director of External Affairs
Dale Waltman, Director of Operations
Nick Foto, Deputy Program Manager
Tammy Salisbury, Assistant Comptroller
Shawn Meyer, Deputy Operations Manager
Kim Aguiard, Marketing & Media Manager

Ben Stone, Legal Counsel
David Duhe, Legal Counsel

Others: Daron Wilson, MDA
Randall Love, T.L. Wallace
Richie Ashley, Neel-Schaffer
Robert Boone, RLB, LLC
Brian Smith, Watkins & Eager
Howard Page, Steps Coalition
Maurice Manuel, YAJV
Damon Torricelli, Neel Schaffer, Inc.
Glenn Cobb, Pathways to the Port
Pastor Chris O'Brian, Seaman's International
Bill Mitchell, BMA Engineering
John Sneed, Stewart Sneed Hewes
James Crowell, NAACP
Bruce Newton, Digital Engineering
Todd Bradford, YAJV
Casey Sanders, YAJV
Brian Deschamp, Eustis Engineering
Lillian Jenkins, Home
Ken "Truck" Casey, City of Gulfport
Paul Lafleur, Sunbelt Rentals
Duane Wilson, Chemours
Wallace Goodman, Wharton-Smith
Michael W. Mangum, Waggoner Engineering

Dale Ladner, Bayou Concrete
 Cindy Lamb, Pickering
 Michael Sheely, CH2MHill
 Chad Purdy, Express Employment Professionals
 Frank Magee, MS Power
 Bob Burns, CH2MHill
 Greg Schruoff, SSA Marine
 Gary Fredericks, Gulfport NAACP
 Alisa Hensley, P&H Construction
 Wilson Montjoy, Butler Snow
 Dr. Bruce Hall, SeaOne
 Joe Sims, Cornerstone Government Affairs
 Keith Lively, ACE
 Grace Kelly, ACE

Commissioner Knesal noted the presence of a quorum and called the meeting to order at approximately 8:30 a.m.

The Pledge of Allegiance was led by Commissioner Knesal.

The invocation was led by Pastor Chris O'Brian, Seaman's Center.

PUBLIC COMMENTS:

Howard Cobb, Port Coalition Campaign, had questions regarding job numbers for March and also thanked port staff for the visit to the Northport property. He would like to meet with staff regarding the usage of the Northport property.

Commissioner Simpson moved to approve the March 23rd Minutes. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve travel (April 10-13/Shortt to New Orleans, MS; March 16-18/Daniels to New York City, NY; April 17-19/Daniels to Jackson). Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve the disbursements listed below. Commissioner Roberts seconded and the motion was unanimously approved.

DISBURSEMENTS THROUGH APRIL 13, 2017
 BILLS FOR THE MONTHS OF MARCH AND APRIL 2017 APPROVED AND PAID
 FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK #	VENDOR	DESCRIPTION	CHK AMT
51994	AirGas Gulf States	Oxygen Cylinder Rental	40.97
51995	Anytime Portables, LLC	Portable Restroom Services	977.50
51996	Battery Sales & Service	Battery for Backhoe	83.96
51997	AT&T	Telephone Services	1,790.18
51998	Boys & Girls Clubs	Sponsorship Golf Tournament	550.00
51999	Can't Be Beat Fence Co., LLC	Fencing for Crowley Set Out Yard	1,606.50
52000	Card Services	AAPA Spring Reg. Fees/Travel Expenses	3,744.20
52001	Card Services	Travel Expenses	5,123.17
52002	Card Services	Lectern for Board Meetings	54.46
52003	CDW Government	Software Licenses for Computers & Servers	1,760.10
52004	Chancellor, Inc.	Electrical Supplies	8,532.00
52005	City of Gulfport	Water	13,698.52
52006	Classic Sports Catering	Catering for MS Gulf Resort Classic	6,035.70
52007	C Spire Wireless	Radio/Cell Services and Equipment	1,060.83

52008	Dunaway Glass, Inc.	Glass for Boardroom Table	750.00
52009	Emerald TC, LLC	Computer Services/Software Maint. Renewal	1,836.00
52010	Fastenal Company	Grease Fittings for STS Cranes	34.03
52011	Federal Express Corp.	Express Mail Services	455.71
52012	Fuelman	Fuel for MSPA Vehicles	436.99
52013	Grainger, Inc.	Rain Jackets and Maintenance Supplies	441.76
52014	Great Southern Club	Monthly Dues and Business Expenses	304.88
52015	Gulf Coast Business Supply, Inc.	Office Supplies	229.95
52016	Hancock Bank	Set Up Fee for Swipe Card Access System	250.00
52017	Logista	Computer Svcs./USB Flash Drives for Servers	5,873.75
52018	Intermodal Assoc. of North America	Membership Dues	350.00
52019	Jerry's Lawn Mower Sales	Line and Oil for Weed Eaters	91.00
52020	Lowe's Home Center, Inc.	Maint. Supplies and Fans for STS Cranes	534.74
52021	Mitchell Signs	Frosting for Glass Doors	2,105.00
52022	MS Dept. of Human Services	Employee Deductions	156.00
52023	MS Gulf Coast Chamber of Comm.	State of the Port Quarterly Breakfasts	80.00
52024	MS Gulf Resort Classic	Skybox Sponsorship	7,500.00
52025	MS Power Company	Electricity	69,366.16
52026	MS Pub. Employees Credit Union	Employee Deductions	320.00
52027	MSPA Petty Cash Fund	Replenish Petty Cash	113.89
52028	MS State Tax Commission	Employee Deductions	10,723.00
52029	Office Furniture Solutions, Inc.	Glass Wall Partition & Desk Bridges	6,579.31
52030	Ports America, Inc.	Draying Dole Containers	24,165.17
52031	Performance Tire & Wheel, Inc.	Service Call to Repair Forklift	118.95
52032	Raycom TV Broadcasting, Inc.	Advertising for the Bicentennial Moments	1,360.00
52033	Redd Pest Solutions	Pest Control Services	90.00
52034	Rose Office Systems, Inc.	Construction Trailer Rentals	3,031.00
52035	Seal Electrical, Inc.	March Electrical Services	1,867.00
52036	Security Blanket, Inc.	Moved Extensions from 8th Floor to 14th	695.00
52037	Specialty Machine Works, Inc.	Spacers for STS Cranes	376.00
52038	Stewart Sneed Hewes, Inc.	Insurance	7,416.34
52039	The Sun Herald	Advertising	1,938.26
52040	Swetman Security Services, Inc.	Security Guard Services	25,289.38
52041	United Way of South MS, Inc.	Employee Deductions	221.00
52042	Waste Management	Waste Removal Services	195.00
52043	The Whit Group, LLC	Web Hosting	120.00
CHECKS DATED 4/10/17 AND RELEASED PRIOR TO SCHEDULED CHECK RUN			
51987	Carlos Bell	Reimburse for Adapter	53.49
51988	Jonathan Daniels	Travel Expenses	76.13
51989	Chuck Graham	Reimburse for STS Crane Cables	35.34
51990	Jack Norris	Travel Expenses	912.54
51991	Kim Purchner	Reimburse for Office Decorations	237.39
51992	Dale Waltman	Business Expenses	244.97
51993	Matthew Wypyski	Travel Expenses	2,228.29
TRANSFERS			
03/31/17	Federal Tax Deposit	Payroll Tax Deposit	26,937.72
04/07/17	Public Employment Retirement	Retirement Match and Withheld	73,726.02
04/13/17	Department of Revenue	March Sales Tax	9,721.60
Total			\$ 334,646.85

Commissioner Roberts moved to approve the Port User Licenses, pending receipt of all fees and insurance documents. Commissioner Norris seconded and the motion was unanimously approved.

The following items were approved:

RENEWAL LICENSES:

Vendor: B&R Transport Refrigeration, Inc.; Barbe's Dairy;
Waste Management

Steamship Agent: Ross Maritime, Inc.

Tugboat Company: E.N. Bisso, LLC

Commissioner Simpson moved to approve the following progress payments: Balch & Bingham (\$56,463.01); BMA (\$41,309.75); Doleac Electric (\$16,877.25); and YAJV (\$84,541.04). Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Cash Request #165 – Anchor QEA (\$224,650.53); Atkins (\$13,461.43); Atwell & Gent (\$68,982.04); CH2MHill (\$210,983.91); Dan Hensarling (\$399,366.70); J.O. Collins (\$147,928.02); MSPA (\$64,313.70); Necaise Brothers (\$416,035.26); Neel Schaffer (\$170,936.27); QES (\$19,419.08); RFB, LLC (\$3,485.00); Thompson Engineering (\$6,154.14); Volkert, Inc. (\$11,702.60) and Wharton Smith (\$494,197.31) for a total of \$2,251,615.99. Commissioner Roberts seconded and the motion was unanimously approved.

OLD BUSINESS:

Commissioner Knesal left the meeting for the following action item:

Commissioner Roberts moved to approve Amendment No.3 to Task Order No. 1 under Contract No. 016-HUD-031 with Eley Guild Hardy Architects. Amendment No. 3 decreases costs by \$1,764.36 and closes out the task order. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment No. 1 to Task Order No. 4 under Contract No. 016-HUD-031 with Eley Guild Hardy Architects. Amendment No. 1 decreases costs by \$1,836.00 and closes out the task order. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal returned to the meeting.

Commissioner Norris moved to award the Perimeter Landscape Project to J.O. Collins in the amount of \$2,289,414.10. Four bids were received with J.O. Collins being the lowest and best. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 7 to Task Order No. 21 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 7 decreases costs by \$5,810.44 and closes out the task order. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment No. 2 to Task Order No. 45 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 2 decreases costs by \$43,810.00 and the task order is terminated. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 2 to Task Order No. 8 with Michael Baker, Jr., Inc. under Contract No. 010-HUD-010. Amendment No. 2 decreases

costs by \$1,505.99 and closes out the task order. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 3 to Task Order No. 9 with QES, Inc. under Contract No. 010-HUD-003. Amendment No. 3 decreases costs by \$100,000.00 and doesn't changes the overall scope or schedule. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 1 to Task Order No. 17 with Atwell & Gent, P.A. under Contract No. 010-HUD-013. Amendment No. 1 increases costs by \$28,320.00 and adds 74 days. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Change Order No. 2 with Wharton Smith under Contract No. 016-HUD-030. Change Order No. 2 adds \$51,975.75 with no change in schedule. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Change Order No. 5 with Doleac Electric under Contract No. 015-EN-08. Change Order No. 5 adds \$94,110.66 with no change in schedule. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Modification No. 3 with Ports America under Contract No. 16-OP-03. Modification No. 3 adds \$500,000 and extends the contract through June 30, 2018. The effective date of this Modification No. 3 is retroactive to February 27, 2017. Commissioner Simpson seconded and the motion was unanimously approved.

NEW BUSINESS:

Commissioner Simpson moved to approve Task Order No. 22 with QES, Inc. under Contract No. 010-HUD-003. Task Order No. 22 has duration of 175 days and a not to exceed amount of \$86,399.13. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Task Order No. 23 with QES, Inc. under Contract No. 010-HUD-003. Task Order No. 23 has duration of 330 days and a not to exceed amount of \$7,138.91. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Task Order No. 27 with YAJV under Contract No. 010-HUD-006. Task Order No. 27 has duration of 350 days and a not to exceed amount of \$50,000.00. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Norris moved to authorize the advertisement and solicitation of bids for the West Pier Shed 16 Renovation. Commissioner Roberts seconded and the motion was unanimously approved.

PORT RESTORATION UPDATE:

Project 304 (Phase 2 Site Work and Utilities) Necaise Brothers: The contractor is continuing to install fill in terminal 2 and 3, duct banks and electrical components and is continuing to demo asphalt and concrete pavement. We had 40,000 Tons of limestone delivered by ship. The drilled pier subcontractor has arrived on site and started drilling foundations for electrical platforms. They are roughly half complete with the retaining wall and drainage around Shed 16.

Project 305.T2 (Crowley M&R) - Dan Hensarling: DHI and their subs have completed the non-load bearing framing, interior fire sprinkler piping, exterior louvres, north wing exterior plywood, plumbing rough in and girts on the gate. Work on the electrical conduit is at approximately 90%, roofing 75%, windows 25%. The gatehouse arrived and was set in place.

Project 307 (North Harbor - West) – Necaise Brothers: All concrete and existing electrical items and the old asphalt pavement has been removed. Storm drain structures continue to be manufactured, and the contractor has begun to install electrical duct banks and storm drain piping and structures. Installation of water lines is set to start in the coming weeks.

Project 410 (SCH Landside Improvements) – Necaise Brothers: Continue to pour light pole foundations and will begin work on the island curbs in the next two weeks.

Project 413.B (Marine Research Building) – Wharton-Smith: Foundation excavation on this project was completed in March. The first large concrete pour was completed at the elevator foundation (pile cap 28) on April 13th. Subsequently several single and triple pile caps have been poured and/or formed with rebar placed. Backfill of the excavation has commenced with the elevator foundation very near backfill completion. This project is progressing on schedule.

Project 305.T1 (Terminal 1 M&R) – J.O. Collins: Footing/grade beams 100% except for elevator pit; Underground fiberglass duct 100% complete; Water/sewer piping 100% complete; Grade beams ongoing at gate structure; Slab formwork ongoing at M&R building.

Project 414 (Barge Mooring Facility) – Final permits received.

OPERATIONS REPORT:

Matthew Wypyski, Chief Operating Officer, reported on the maritime activity for March:

Vessels	24		Vehicles	17,759
Tugs	12		Railcar Count	657
Barges	17		TEU's	17,820
			Tonnage (short tons)	195,386

The TEU count for March is a 6% increase over February.

The old silos are starting to come down. We hate to see them go but this will allow us to continue our construction and improvements.

Mr. Wypyski attended the AAPA Spring Conference in Washington DC and appreciated the discussions regarding port planning, trade discussion and the Harbor Maintenance Tax.

Hurricane season is quickly approaching and the annual Hurricane Preparedness Meeting will take place in May. All tenants, port staff, Coast Guard and local authorities participate in this important luncheon meeting.

EXECUTIVE DIRECTOR'S COMMENTS:

Diversification continues with our designation as a strategic military port. Director Daniels recently traveled to Rock Island Arsenal in Illinois with Col. Michel from Camp Shelby. Discussions took place with 3-star General Twiggy regarding brigades moving through the Port that most recently moved through Beaumont.

It's difficult to see the old silos coming down, but it is progress.

Director Daniels was in Havana Cuba last week with Governor Bryant and it's interesting to see the new regime taking over. Meetings were held with the Ministers of Foreign Affairs and Trade.

Earth Day was last Saturday and on Friday, port staff cleaned up areas on the port as well as the street in front of the Northport property.

GENERAL COUNSEL'S COMMENTS:

Ben Stone commented on the very busy month and asked Commissioners for questions.

MDA'S COMMENTS:

Daron Wilson had no comments.

COMMISSIONER COMMENTS:

Commissioner Norris commented on his attendance at the AAPA Spring Conference and how the mood on the Hill is very strong for infrastructure investment. He also mentioned how everything in Washington DC is very unpredictable at this time.

Commissioner Simpson thanked Director Daniels for everything he has done at the Port during his tenure and although he is a candidate for a Director's position at another port, he was very up front with the Commission regarding his candidacy. Commissioner Simpson wanted the public to know that they are behind Director Daniels 100%.

Commissioner Roberts mentioned how excited he was to see a number of projects being closed out on this agenda and he also expressed his high regard for Director Daniels.

Commissioner Simpson moved to close the meeting to discuss the need for an Executive Session. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to enter Executive Session to discuss legal matters (a lease negotiation with SeaOne and potential litigation with SIC). Commissioner Roberts seconded and the motion was unanimously approved.

(THE BOARD OF COMMISSIONERS ENTERED INTO EXECUTIVE SESSION AT APPROXIMATELY 9:20 A.M.)

Commissioner Simpson moved to come out of Executive Session. Commissioner Roberts seconded and the motion was unanimously approved. The Commission re-entered open session at approximately 10:50 a.m.

Commissioner Knesal stated that no action took place during Executive Session.

Commissioner Simpson moved to amend the agenda to add consideration of a lease agreement and memorandum of agreement between the Mississippi State Port Authority, the Mississippi Development Authority and SeaOne Gulfport, LLC. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve, adopt, and simultaneously execute a lease agreement and memorandum of agreement between the Mississippi State Port Authority, the Mississippi Development Authority and SeaOne Gulfport, LLC, subject to the resolution of two comments concerning language to the lease, which are to constitute revisions to the final lease agreement. Commissioner Norris seconded the motion for the purposes of discussion.

During discussion, legal counsel advised representatives of SeaOne Gulfport, LLC that the approval of the lease agreement was contingent upon the satisfaction of two items: (1) the requirement that SeaOne Gulfport, LLC's Mississippi legal counsel provide the Port

Authority with a letter confirming that it had reviewed relevant loan documents and confirmed that SeaOne Gulfport, LLC had satisfied the conditions for a “Final Investment Decision” under the lease; and (2) that, as between the parties to the lease, SeaOne Gulfport, LLC would be responsible for the payment of costs associated with construction of any infrastructure or facilities necessary to provide utility (including electric) service to the leased premises.

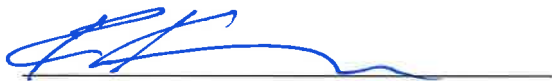
Representatives of SeaOne Gulfport, LLC expressed their agreement with each of the foregoing items.

Upon conclusion of discussions, the motion was unanimously approved.

Commissioner Simpson moved to adjourn. Commissioner Roberts seconded and the motion was unanimously approved.

The meeting adjourned at approximately 11:10 a.m.

Approved and Attested


Robert J. Knesal
President


John Kester
Secretary