

# MISSISSIPPI PORT AUTHORITY

## BOARD OF COMMISSIONERS

### REGULAR MEETING

**August 8, 2013**

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Minutes of the Mississippi State Port Authority Board of Commissioners Meeting,  
Thursday, August 8, 2013, 2510 14<sup>th</sup> Street, Suite 1500, Gulfport, Mississippi at which  
the following Commissioners and staff were present:

Commissioners: James C. Simpson, Jr., President  
John Rester, Vice-President  
Robert J. Knesal, Commissioner

Staff: Jonathan Daniels, Executive Director/CEO  
Matthew Wypyski, Chief Operating Officer  
Joe Conn, Director of Port Restoration  
John Webb, Deputy Director - Engineering  
Dale Waltman, Deputy Director - Operations  
Bill McGhee, Deputy Director - Facilities  
Mary Bourdin, Deputy Director - Finance  
Van Grundmann, Chief Commercial Officer  
Kim Purchner, Executive Assistant/HRO  
Kelly Ellison, Administrative Assistant  
Angie Shortt, Contract Administrator  
Nick Foto, Finance Manager

Ben Stone, Legal Counsel  
Teri Wyly, Legal Counsel

Others: Denton Gibbes, The Gibbes Company  
Lon Elledge, CH2MHill  
Brian Varnado, T.L. Wallace  
Duane Wilson, DuPont  
John Oliver, QES  
Christine Brice, Election Committee  
Christiana Hassin, Watkins & Eager  
Phillip Carter, MDA  
Howard Page, Steps Coalition  
Shorty Sneed, Stewart Sneed Hewes  
Robert Boone, RFB, LLC  
Heather Megehee, Yates Anderson JV  
Jay Carney, T.L. Wallace  
Glenn Cobb, Pathways Committee  
Gary Pitcovich, Ports America  
Carlos Bell, Waggoner Engineering  
Mark McDaniel, YAJV  
Sen. Brice Wiggins, MS Senate  
Violetta Cisotto, Digital Engineering  
Marcia Crawford, HCDC  
Sonya Williams Barnes, MS State Rep., District 119  
Todd Bradford, YAJV  
Melissa Powell, MDA-Horne  
Anthony Thompson, Kingdom JCDC/COAAC  
Katherine Egland, Gulfport NAACP  
Cathy B. Mackenzie, Island View Casino & Resort

Roberta Avilla, Steps Coalition  
Ruth Storey, Gulfport NAACP

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Commissioner Simpson 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 Simpson.

PUBLIC COMMENTS:

Ms. Ruth Story, Steps Coalition, commented on the CH2MHill contract and suggested Commissioners ask for a refund regarding earlier restoration work.

Roberta Avilla commented on her concern regarding a safe and healthy report. She thanked Rep. Sonya Williams-Barnes for bringing the PEER Report to the public's attention. She asked MDA to withdraw their objection to releasing the PEER report.

Glenn Cobb, Pathways to the Port member, wanted to know when the MSPA Compliance Officer would be replaced.

Christine Brice, Election Commissioner for District 4, asked for the current number of Section 3 qualified employees performing construction work.

Howard Page had questions concerning jobs: 1) the direct number of jobs currently onsite at the port; 2) asked if the port was going to stick with same job projections; and 3) would like to see the PEER report released by MDA.

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Commissioner Rester moved to approve the July 11th and July 30th minutes. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Rester moved to approve travel (July 31-August 1 – Daniels to Starkville, Neshoba County; August 5-6 – Daniels to Washington, DC; August 17-25 - Grundmann/Daniels to NYC/ NJ; August 27-29 – Grundmann/Daniels to Kansas City, MO; Sept. 7-12 – Daniels to Brazil). Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Rester moved to approve the disbursements listed below. Commissioner Knesal seconded and the motion was unanimously approved.

DISBURSEMENTS THROUGH JULY 25, 2013  
BILLS FOR THE MONTHS OF JULY AND AUGUST 2013 APPROVED AND PAID  
FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK#	VENDOR	DESCRIPTION	CHK AMT
47087	Kentwood Springs	Drinking Water and Maintenance Supplies	230.24
47088	Advanced Disposal Service	Waste Removal Services	869.00
47089	AFLAC	Employee Deductions	1,020.46
47090	AirGas Gulf States	Oxygen Cylinder Rental	32.40
47091	Birmingham Rail & Locomo. Inc.	Materials to Repair Rail Road Track	3,010.00
47092	Sun Coast Business Supply	Office Supplies	356.24
47093	RJ Young	Copier Maintenance Agreements	1,133.00
47094	Covington Sales & Service	Parts & Gutter Brooms for Street Sweeper	1,343.21
47095	C Spire Wireless	Radio/Cell Phone Services	1,376.18
47096	CVR Computer Supplies	Toner Cartridges	887.95
47097	Jonathan Daniels	Business Expenses	160.77
47098	State School Insurance Fund	Employee Deductions	12,883.60

47099	Eagle Energy, Inc.	Diesel	10,591.66
47100	Federal Express Corp	Express Mail Services	64.47
47101	Fuelman	Fuel for MSPA Vehicles	978.84
47102	Van Grundmann	Business and Travel Expenses	915.79
47103	Gulfport Industrial Supply, Inc.	Herbicide for Grounds	2,200.00
47104	Hancock Bank	August Lease 14th Floor	14,432.24
47105	Hancock Bank	August Lease 8th Floor	5,241.35
47106	IFFCBANO	Membership Dues	75.00
47107	Logista	Computer Services	250.00
47108	Rick Maldonado & Assoc., Inc.	June and July Services	16,666.70
47109	MS Dept. of Human Svcs. CRDU	Employee Deductions	117.70
47110	MS Pub. Employees Credit Union	Employee Deductions	480.00
47111	MSPA Petty Cash Fund	Replenish Petty Cash	40.67
47112	MSPA PEA	Deposited Commission Check In Error	104.97
47113	MS Society of CPA's	Registration Fees	275.00
47114	MS State Tax Commission	Employee Deductions	6,699.00
47115	Legal Shield	Employee Deductions	14.96
47116	Puckett Machinery Company	Cribbing Bucket for Back Hoe	1,050.00
47117	Shred It	Shred Documents	55.75
47118	Southern Admin. and Benefits	Monthly Service Fee	200.00
47119	Stewart Sneed Hewes, Inc.	FY2014 Insurance	2,712,962.39
47120	The Sun Herald	Advertising	169.10
47121	Swetman Security Services, Inc.	Security Guard Services	28,997.78
47122	United Concordia, Inc.	Employee Deductions	839.98
47123	Dale Waltman	Business Expenses	24.50

TRANSFERS

7/11/13	MS Department of Revenue	June Sales Tax	4,373.00
7/12/13	Deferred Compensation	Employee Deductions	3,099.67
7/12/13	Federal Tax Deposit	Payroll Tax Deposit	24,172.35
7/25/13	Deferred Compensation	Employee Deductions	3,099.67
7/26/13	Federal Tax Deposit	Payroll Tax Deposit	26,362.05

Total \$ 2,887,857.64

FINAL CHECKLIST FOR AUGUST 8, 2013  
 BILLS FOR THE MONTHS OF JULY AND AUGUST 2013 APPROVED AND PAID  
 FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK#	VENDOR	DESCRIPTION	CHK AMT
47125	Alexander, Van Loon, Sloan	Internal Controls	6,000.00
47126	American Express - BTA	Travel Expenses	2,347.10
47127	A T & T Mobility	Cellular Phone Services	98.95
47128	Barefield & Co., Inc.	Office Supplies	375.52
47129	AT&T	Telephone Services	1,595.05
47131	Bonds Services, Inc.	Janitorial Services	1,050.00
47133	Sun Coast Business Supply	Office Supplies	564.00
47134	Jonathan Daniels	Business and Travel Expenses	961.27
47135	Emerald TC. LLC	Accounting Software Conversion Services	46.25
47136	Federal Express Corp.	Express Mail Services	167.67
47137	Fuelman	Fuel for MSPA Vehicles	238.75
47138	W.W. Grainger, Inc.	Maintenance Supplies	914.92
47139	Great Southern Club	Monthly Dues and Business Expenses	973.66
47140	Gulf Coast Business Supply Inc.	Cleaning and Office Supplies	216.40
47141	Gulf Coast Chapter of MS CPA's	Membership Dues	50.00

47142	J.H. Haynes Electric Co., Inc.	Stabilize Lights in Crowley Tire Shop	1,013.16
47143	MS State Treasure Fund 3601	Long Distance Telephone/Internet Services	826.42
47144	JOC Group, Inc.	Marketing Data Subscriptions	2,705.00
47145	Robert J. Knesal	Per Diem	80.00
47146	Mississippi Utilities Supply	Parts to Repair Fire Hydrant & Water Leak	833.18
47147	MS Dept. of Human Services CRDU	Employee Deductions	117.70
47148	MS Power Company	Electricity	25,536.51
47149	MS Pub. Employees Credit Union	Employee Deductions	480.00
47150	MS Power Company	Electricity	61.31
47151	MS Windstorm Underwriting Assoc.	Insurance	164.45
47152	Jack Norris	Per Diem	40.00
47153	Piltz, Williams, LaRosa & Co.	Grant Administration & Accounting Services	1,030.58
47154	Puckett Machinery Company	Parts to Repair Back Hoe	306.93
47156	Eluse J. Roberts	Per Diem	40.00
47158	Rose Office Systems, Inc.	Rental for Facilities/Ops./Crowley Trailers	3,830.00
47159	James C. Simpson, Jr.	Per Diem	80.00
47160	Norma Jean Soroe	Transcription Fees	474.48
47161	The Sun Herald	Advertising	563.75
47162	Swetman Security Services, Inc.	Security Guard Services	22,353.38
47163	United States Postal Service	Postage for Mailing Machine	1,500.00
47164	Viking SupplyNet - South	Parts to Repair Sprinkler System in Shed 50	1,315.01
47165	Dale Waltman	Business Expense	30.00
47167	Wright National Flood Ins.	Flood Insurance for Sheds 16, 50 and 53	164,670.00

CHECK DATED 7/30/13 AND RELEASED PRIOR TO THE MEETING

47124	Mathew Wypyski	Reimbursement for Tuition	1,056.00
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TRANSFERS

7/29/13	Public Employment Retirement	Retirement Match and Withheld	46,251.43
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Total \$ 290,958.83

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

The following items were approved:

RENEWAL LICENSES:

Vendor: Atlas Ship Service; Wilhelmsen Ship Supply

Steamship Agents: T. Parker Host (formerly NSA Agencies); Page & Jones

Commissioner Knesal moved to approve cash request #59 - Archer Western (\$2,847,982.67); QES (\$2,907.16); MSPA (\$91,666.02); RFB, LLC (\$7,225.00); Yates Anderson JV (\$59,597.50) for a total of \$3,009,378.35. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve the following progress payments: Balch & Bingham (\$22,991.23); BMA (\$37,411.93); BMI Environmental (\$5,423.76); QES (\$8,706.00); Rod Cooke Construction (\$291,046.51); W.C. Fore Trucking (\$304,582.05). Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Rester moved to suspend the rules and amend the agenda to include an item under Old Business – authorization to award a bid for Project #22. Commissioner Knesal seconded and the motion was unanimously approved.

OLD BUSINESS:

Commissioner Knesal moved to approve Amendment No. 1 to Task Order No. 8; Contract No. 010-HUD-011 with Anchor QEA (Dredging Design and Services). Amendment No 1 closes Task Order No. 8 with a de-obligated amount of \$48,068.35. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 1 to Task Order No. 11; Contract No. 010-HUD-011 with Anchor QEA (Dredging Design and Services). Amendment No. 1 has a decrease in costs of \$7,607.68. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 1 to Task Order No. 18; Contract No. 010-HUD-001 with Neel Schaffer (General Engineering & Design). Amendment No 1 closes Task Order No. 18 with a de-obligated amount of \$39,346.58. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 2 to Task Order No. 4; Contract No. 010-HUD-003 with QES (Construction Materials Testing). Amendment No. 2 adds 324 calendar days and has an increase in costs of \$25,000. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 1 to Task Order No. 8 under Contract No. 010-HUD-006 with Yates Anderson JV (Construction Management). Amendment No. 1 increases costs by \$35,000 and adds 730 calendar days to the contract. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Rester moved to award the As Needed Site Work, Project #22 to W.C. Fore Trucking, Inc. in the amount of \$366,158.50. The low bid of \$339,250.00, submitted by Hensley R. Lee, was deemed not responsible because of the omission of a required Section 3 Project Plan. Commissioner Knesal seconded and the motion was unanimously approved.

NEW BUSINESS:

Commissioner Rester moved to approve Task Assignment No. 6 under Professional Service Agreement No. 13-EN-02; Brown, Mitchell & Alexander. The proposed fee for this task order has a not to exceed amount of \$186,000.00. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Task Order No. 7 under Contract No. 010-HUD-003 with QES (Construction Materials Testing). Task Order No. 7 has a cost of \$25,268.71 and duration of 354 calendar days. Commissioner Rester seconded and the motion was unanimously approved.

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COMMUNICATIONS UPDATE:

There were 36,044 visitors to the Port of the Future website last month.

Community Port tours will take place on Saturday, September 21st between 9 and noon with shuttle buses running every 30 minutes.

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PATHWAYS TO THE PORT UPDATE:

Letters of Intent have been signed by Pearl River Community College and MS Gulf Coast Community College to become training providers for Pathways to the Port.

PORT RESTORATION UPDATE:

Restoration has been actively been working on all final designs. Meetings have taken place with KCS regarding the rail line.

The final procurement package for the cranes is currently being worked on.

Meetings have taken place with the U.S. Coast Guard with regard to the Commercial Small Craft Harbor Channel.

We are in the process of closing out the Phase I Fill contract and the Wharf Upgrade project is currently proceeding with demolition.

OPERATIONS REPORT:

Matthew Wypyski reported on the monthly maritime activity:

Vessel calls	Vessels	22		Truck Count	6,717
	Tugs	46		Railcar Count	592
	Barges	62		TEU's	19,898
				Tonnage (short tons)	200,987

The Port Safety Committee is being re-established and will meet monthly, consisting of Port Stakeholders (MSPA Staff, ocean carriers, Stevedoring partners and ILA).

EXECUTIVE DIRECTOR'S COMMENTS:

We have been very active in the last two weeks with legislators. Two trips have been made to Washington, DC – the first one was a brief visit with Senator Thad Cochran and his staff. They were brought up to date on the progress of the port restoration project and we continued our efforts toward the need for dredging. The second visit was with Under Secretary of the Army, Dr. Joe Westphall. We reiterated our need for increased funding for dredging and also briefed him on additional cargo opportunities with the military.

Congress is currently discussing WRTA; this will outline future dredging operations and we hope to hear favorably very soon on that issue.

John Webb is doing a great job in overseeing the new security gate construction. This project is paid for with port funds and should be complete in late September.

Thanks to Matt Wypyski on the recent fully executed Memorandum of Understanding with MDOT and with HCDC. Both MOU's reflect evacuation sites in the event of hurricanes.

We want to be proactive and begin development of a Diesel Emission Program.

Present at today's meeting were Rep. Sonya Williams-Barnes and Senator Brice Wiggins. Senator Wiggins is a Committee Chairman and has announced that MDOT will begin an economic study of the 16 state ports. MDOT will also do a needs assessment regarding statewide transportation.

As mentioned by The Gibbes Co., there will be port tours for the public on Saturday, Sept. 21st from 9 a.m. – 12 p.m.

Thanks go to The Gibbes Company for their work on the new shipmspa.com website. The website should be up and active no later than tomorrow.

GENERAL COUNSEL'S COMMENTS:

Ben Stone had no comments.

MDA'S COMMENTS:

Philip Carter had no comments.

COMMISSIONER COMMENTS:

Commissioner Knesal defended the job reporting methods of the ILA; he assumes the ILA used the same job reporting method pre-Katrina that they used post Katrina. The ILA is not required by HUD to use a certain method.

Commissioner Simpson responded to some of the public comments. Port staff is diligently working on hiring a replacement Compliance Officer. Regarding the PEER Report, this Commission has the highest regard for the PEER Committee and wanted to make sure all understood that the PEER Report is provided to Legislators, not prepared by them. The members of the PEER Committee control the outcome of the report and no one dictates to them. The Port will respond once the Report is released.

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Commissioner Rester moved to close the meeting to determine the need for Executive Session. Commissioner Knesal seconded and the motion was unanimously approved.

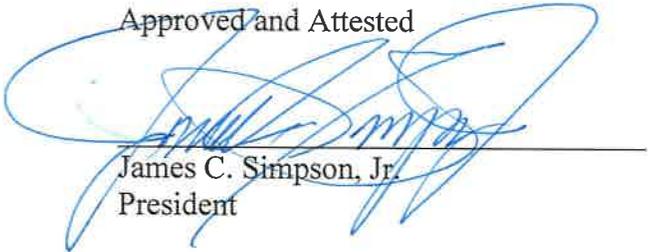
Commissioner Knesal moved to enter Executive Session to discuss legal matters (possible new tenant), real estate matters (Island View) and personnel matters. Commissioner Resterq2 seconded and the motion was unanimously approved.

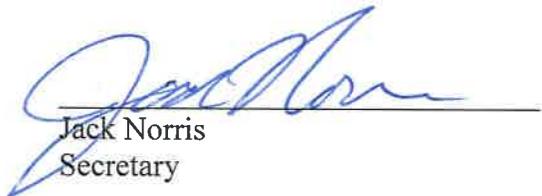
(THE BOARD OF COMMISSIONERS ENTERED INTO EXECUTIVE SESSION AT APPROXIMATELY 9:20 A.M.)

Commissioner Simpson stated that no action took place during Executive Session

The meeting adjourned at approximately 10:30 a.m.

Approved and Attested

  
James C. Simpson, Jr.  
President

  
Jack Norris  
Secretary