

# MISSISSIPPI PORT AUTHORITY

## BOARD OF COMMISSIONERS

### REGULAR MEETING

**February 18, 2014**

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Minutes of the Mississippi State Port Authority Board of Commissioners Meeting,  
Tuesday, February 18, 2014, 2510 14<sup>th</sup> Street, Suite 1500, Gulfport, Mississippi at which  
the following Commissioners and staff were present:

Commissioners: John Rester, President  
Jack Norris, Vice-President  
E.J. Roberts, Secretary  
Robert J. Knesal, Treasurer  
James C. Simpson, Jr., Commissioner

Staff: Jonathan Daniels, Executive Director/CEO  
Matthew Wypyski, Chief Operating Officer  
Joe Conn, Director of Port Restoration  
John Webb, Director of Engineering  
Dale Waltman, Director of Operations  
Mary Bourdin, Director of Finance  
Kim Purchner, Executive Assistant/HRO

Ben Stone, Legal Counsel  
David Duhe, Legal Counsel

Others: Denton Gibbes, The Gibbes Company  
Christine Brice, Election Committee  
Phillip Carter, MDA  
Howard Page, Steps Coalition  
Robert Boone, RFB, LLC  
Duane Wilson, DuPont  
Jay Carney, T.L. Wallace  
Marcia Crawford, HCDC  
Melissa Powell, MDA-Horne  
Lisa Hathorn, The Gibbes Company  
Randall Love, T.L. Wallace  
Rebecca Ferguson, MDA  
Chris Williams, BMA  
Elizabeth Calvert, CH2MHill  
Bruce Newton, Digital Engineering  
Todd Bradford, YAJV  
Richie Ashley, Neel Schaffer  
Don Lancaster, Neel Schaffer  
David Bowman, Neel Schaffer  
Anita Lee, Sun Herald  
Anna Gibson, Watkins Eager  
Carlos Bell, Waggoner Engineering  
Billy Waites, Waggoner Engineering  
Steve Twedt, Neel Schaffer  
Reilly Morse, Center for Justice  
Greg Schruoff, SSA  
Mark McDaniel, YAJV  
Lon Elledge, CH2MHill  
Daron Wilson, MDA

Commissioner Rester 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 Rester.

PUBLIC COMMENTS:

Howard Page, STEPS Coalition, spoke of job compliance issues and his fear that MDA is not relating STEP's concerns to Governor Bryant.

Reilly Morse, MS Center for Justice mentioned the recent HUD Compliance Report and his perception of a performance problem regarding job counts and a need to make up the difference.

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Commissioner Simpson moved to approve the January 17th and 30th minutes. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve travel (Feb. 19-20/ Daniels to Jackson, MS; Feb. 19-21/Simpson to San Diego, CA; March 1-5/Daniels to Long Beach, CA; March 10-13/Daniels, Wypyski, Commissioners to Costa Rica; March 23-25/Daniels, Simpson to Washington, DC; April 30-May 2/Daniels to Tampa, FL). Commissioner Knesal seconded and the motion was unanimously approved.

FINANCIAL REPORT:

Mary Bourdin, CFO reported that YTD Maritime Revenue was \$3.8 million, up 6.3% from the prior year. Non-Maritime Revenue was \$3,991,000, down a small amount and consists of gaming revenue. Total Operating Revenue was \$7.8 million; expenditures were \$9.7 million but when you reduce grant expenditures they are \$4.7 million. Total net operating income is \$3 million, which is down about \$80,000 from this time last year and this is due to new buildings that are on the port.

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

DISBURSEMENTS THROUGH JANUARY 31, 2014  
BILLS FOR THE MONTHS OF JANUARY AND FEBRUARY 2014 APPROVED AND PAID  
FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK #	VENDOR	DESCRIPTION	CHK AMT
47910	American Assoc. of Port Auth.	Conference Registration Fees	695.00
47911	Kentwood Springs	Drinking Water	102.12
47912	AirGas Gulf States	Oxygen Cylinder Rental	33.28
47913	Bonds Services, Inc.	Janitorial Services	1,050.00
47914	Mary Bourdin	Business and Travel Expenses	400.89
47915	Sun Coast Business Supply	Office Supplies	329.60
47916	RJ Young	Copier Maintenance Agreements & Equip.	2,484.00
47917	Jonathan Daniels	Travel Expenses	316.86
47918	State School Insurance Fund	Employee Deductions	12,847.58
47919	Eagle Energy, Inc.	Diesel	1,628.40
47920	Federal Express Corp.	Express Mail Services	357.07
47921	Fuelman	Fuel for MSPA Vehicles	767.59
47922	W.W. Grainger, Inc.	Maintenance Supplies	320.09
47923	Guardian	Employee Deductions	918.96
47924	Hancock Bank	February Lease 14th Floor	14,432.24
47925	Hancock Bank	February Lease 8th Floor	5,241.35

47926	Lowe's Home Center, Inc.	Maintenance Supplies/Heater	1,327.92
47927	MS Dept. of Human Services CRDU	Employee Deductions	117.70
47928	MS Pub. Employees Credit Union	Employee Deductions	400.00
47929	MS State Tax Commission	Employee Deductions	5,810.00
47930	Mississippi Surge	Business Promotion	3,000.00
47931	Ports America, Inc.	Maint. on Cranes/Chiquita Out of Berth	11,570.69
47932	Southern Pipe and Supply, Inc.	Plumbing Supplies	703.13
47933	Southern Admin. and Benefits	Monthly Service Fees	200.00
47934	State Dept. of Audit	Statewide Testwork	70.56
47935	Swetman Security Services, Inc.	Security Guard Services	22,353.38
47936	Vision Service Plan	Employee Deductions	188.23

TRANSFERS

1/10/14	Deferred Compensation	Employee Deductions	3,169.67
1/10/14	Federal Tax Deposit	Payroll Tax Deposit	21,881.28
1/24/14	Deferred Compensation	Employee Deductions	3,169.67
1/24/14	Federal Tax Deposit	Payroll Tax Deposit	22,539.08
1/27/14	Public Employment Retirement	Retirement Match and Withheld	41,126.22

Total \$ 179,552.56

FINAL CHECKLIST FOR FEBRUARY 18, 2014

BILLS FOR THE MONTHS OF FEBRUARY AND MARCH 2014 APPROVED AND PAID  
FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK #	VENDOR	DESCRIPTION	CHK AMT
47939	American Assoc. of Port Auth.	Conference Registration Fees	1,320.00
47940	Advanced Disposal Service	Waste Removal Services	438.00
47941	AFLAC	Employee Deductions	1,161.41
47942	Neopost USA, Inc.	Postage Machine Maintenance	175.00
47943	B.E.A.R.	Batteries for Lift Stations	225.04
47944	AT&T	Telephone Services	1,599.70
47947	Butch Oustalet Ford, Inc.	Parts and Labor to Repair Vehicle # 2	1,061.37
47948	Card Services	Travel Expenses	999.00
47949	Cheyenne Livestock & Products	Life Rings with Cabinets	3,357.00
47950	City of Gulfport	Water	6,560.64
47951	Sun Coast Business Supply	Toner Cartridges	275.98
47952	Joseph Conn	Travel Expenses	551.38
47953	C Spire Wireless	Radio/Cell Phone Services	1,356.42
47954	CVR Computer Supplies	Toner Cartridges	1,013.94
47955	Jonathan Daniels	Travel Expenses/Registration Fee	1,643.39
47956	State School Insurance Fund	Employee Deductions	12,138.08
47957	Emerald TC, LLC	Accounting Software Conversion Services	555.00
47958	Federal Express Corp.	Express Mail Services	45.15
47959	Frazier Law Firm, PLLC	Employee Deductions	342.06
47960	Fuelman	Fuel for MSPA Vehicles	312.07
47961	The Gibbes Company	Professional Services	32,498.50
47962	W.W. Grainger, Inc.	Maintenance Supplies	196.41
47963	Great Southern Club	Monthly Dues and Business Expenses	589.72
47964	Guardian	Employee Dental Deductions	894.11
47965	Gulf Coast Business Supply, Inc.	Office Supplies	92.68
47966	Gulf Coast Business Council	Tuition	1,200.00
47967	Gulfport Yacht Club	Business Expenses	43.68
47968	ID Wholesaler	Parts for Badge ID Machine	103.90
47969	MS State Treasure Fund 3601	Long Distance Telephone/Internet Services	779.88
47970	Isco Metals & Supply, LLC	Materials for Warehouse Roofing Repairs	336.00

47971	JOC Group, Inc.	Marketing Data Subscriptions	2,705.00
47972	Robert J. Knesal	Per Diem	160.00
47973	Mac Papers, Inc.	Copy Paper	729.00
47974	Maritime Defense Strategy, LLC	Security Training	3,450.00
47975	MS Dept. of Human Services CRDU	Employee Deductions	117.70
47976	MS Gulf Coast Chamber of Comm.	2014 Annual Meeting Sponsorship	750.00
47977	MS Pub. Employees Credit Union	Employee Deductions	400.00
47978	MSPA Petty Cash Fund	Replenish Petty Cash	115.22
47979	Jack Norris	Per Diem	120.00
47980	Piltz, Williams, LaRosa & Co.	Grant Administration Services	90.00
47981	Pine Belt Oil Co., Inc.	Diesel	10,092.48
47982	Ports America, Inc.	Maintenance on Cranes	4,925.67
47983	Legal Shield	Employee Deductions	166.41
47984	The Sign Shop	Magnetic Vehicle Door Signs	120.00
47985	Puckett Machinery Company	Parts and Labor to Repair Backhoe	928.73
47986	Kim Purchner	Mileage Reimbursement	11.76
47988	Redd Pest Solutions	Pest Control Services	365.00
47989	Eluse J. Roberts	Per Diem	120.00
47990	Rod Cooke Construction, Inc.	Release of Retainage - Gate/Guard Project	103,705.50
47991	Roskopf Electrical Supply Co.	Electrical Supplies	84.76
47992	Rose Office Systems, Inc.	Rental for Facilities/Ops./Crowley Trailers	3,830.00
47993	Roundtree Jackson	2014 Ram 1500 Truck	20,072.00
47994	Sage Software, Inc.	Software Support Renewal	6,820.50
47995	Sorg Printing, LLC	Stationery Envelopes	1,426.00
47996	James C. Simpson, Jr.	Per Diem	200.00
47997	Norma Jean Soroe	Transcription Fees	469.48
47998	Southern Printing & Silkscreen	Decals for Port Vehicles	80.00
47999	The Sun Herald	Advertising	1,189.82
48000	Swetman Security Services, Inc.	Security Guard Services	22,046.12
48001	Vision Service Plan	Employee Deductions	188.23
48002	Dale Waltman	Business Expenses	63.22
48004	Matthew Wypyski	Travel Expenses	777.12
CHECKS DATED 2/10/14 AND RELEASED PRIOR TO THE MEETING			
47937	MS Power Company	Electricity	36,821.40
47938	State Tax Commission	Vehicle Tag	12.00
TRANSFERS			
02/06/14	Deferred Compensation	Employee Deductions	3,169.67
02/07/14	Federal Tax Deposit	Payroll Tax Deposit	21,850.77
02/11/14	MS Department of Revenue	Sales Tax Payment	2,886.11
BILL APPROVED AND PAID FROM THE EARNINGS FUND			
1095	Lynn Fitch, Treasurer - State of MS	Port Improvement Bond	304,092.00
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Total			\$ 627,017.18
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Commissioner Roberts 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: Mike Gartmann Transfer Service (TWIC Escort)

Steamship Agent: Nord-Sud Shipping; Gulf Harbor Shipping

Transfer Company: Mike Gartmann Transfer Service

Commissioner Knesal moved to approve cash request #67 - MSPA (\$109,192.23); CH2MHill (\$272,039.22); QES (\$8,552.71); Neel Schaffer (\$624,055.16); CDM (\$73,737.10); Thompson Engineering (\$38,426.07); L&A Contracting (\$1,073,029.10); Bertucci Contracting (\$204,544.39); RFB (11,135.00); Atwell & Gent (\$95,496.79); Atkins (\$40,249.38); Volkert (\$14,515.81); Anchor QEA (\$52,009.94); for a subtotal of \$2,616,982.90. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Funds Request #23 reimbursement for the rail upgrade to Piltz, Williams, LaRosa for \$1,325.34 (CDBG Funds) and \$90.00 (MSPA Funds) for a total of \$1,415.34. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve the following progress payments: BMA (\$416,771.73); BMI Environmental (\$3,536.25); QES (\$4,680.50); W.C. Fore Trucking (\$188,107.90). Commissioner Knesal seconded and the motion was unanimously approved.

*Commissioner Norris recused himself and left the meeting.*

Commissioner Simpson moved to approve payment of \$160,300.00 to Yates Anderson JV (under Restoration Agreement Request #67), for a total of \$2,777,282.90; Progress Payment to Balch & Bingham of \$20,735.75. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Simpson moved to include Old Business Items 7C and 7D under one motion while Commissioner Norris was not in the room. Commissioner Roberts seconded and the motion was unanimous.

(7C) Commissioner Simpson moved to approve Amendment No. 2 to Task Order No. 11 with Yates Anderson JV; Contract No. 010-HUD-006. Amendment No. 2 extends the Task Order by 60 days and adds \$7,450.00. Commissioner Roberts seconded and the motion was unanimously approved.

(7D) Commissioner Simpson moved to approve Amendment No. 1 to Task Order No. 9 for Yates Anderson JV; Contract No. 010-HUD-006. Amendment No. 1 extends the Task Order by 172 calendar days and adds \$78,300.00. Commissioner Roberts seconded and the motion was unanimously approved.

*Commissioner Norris returned to the meeting.*

#### OLD BUSINESS:

Commissioner Knesal moved to approve Amendment No. 3 to Task Order No. 23; Contract No. 010-HUD-001; Neel Schaffer, Inc. Amendment No. 3 extends the task order by 90 days with no change in funds. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment No. 3 to Task Order No. 2 under Contract No. 010-HUD-010 with Michael Baker, Inc. Amendment No. 3 reduces costs by \$40,790.88 and the task order is complete. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 1 to Task Order No. 6 with QES, Inc. under Contract No. 010-HUD-003. Amendment No. 1 extends the task order by 141 calendar days with no change in costs. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Amendment No. 2 to Task Order No. 21 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 2 extends the task order by 77 calendar days and increases costs by \$400,218.00. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment No. 2 to Task Order No. 10 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 2 reduces costs by \$30,737.91 and closes the task order. Commissioner Simpson seconded and the motion was unanimously approved.

NEW BUSINESS:

Commissioner Simpson moved to authorize a Memorandum of Understanding with the U.S. Corps of Engineers for the Section 408 Process. The cost for the time consulting and reviewing the documentation is a not to exceed amount of \$67,000. Commissioner Knesal seconded and the motion was unanimously approved.

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COMMUNICATIONS UPDATE:

The Annual Reports have been completed and printed.

There was a great turnout this past Saturday for the second Community Port Tours – 340 people came out to take part. Many thanks go to CTA for their buses and to PJ’s Coffee for their efforts and cooperation. We hope to hold another event in May.

The marketing campaign continues.

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PATHWAYS TO THE PORT UPDATE:

Mr. Boone reported that his focus last month has been on outreach. He has joined the Workforce Development Alliance which is sponsored by Mississippi Power. This group reaches out to lower and middle income individuals seeking employment. Many job fairs are planned in various areas – Wiggins, Bay St. Louis, Columbia and Pascagoula.

PORT RESTORATION UPDATE:

Joe Conn reported that Mel Arsenault has been hired as the Director of Compliance & Corporate Responsibility and will start on March 3rd. We are certainly looking forward to her coming on board as she brings a wealth of knowledge and experience to the position.

There are currently 116 full time equivalent positions working on the port for restoration. Of those 116, 68 are in construction and 41 are in design.

OPERATIONS REPORT:

Matthew Wypyski reported on January maritime activity:

Vessel calls	Vessels	14		Truck Count	6,750
	Tugs	9		Railcar Count	635
	Barges	26		TEU’s	15,450
				Tonnage (short tons)	177,790

Mr. Wypyski was in Washington, DC last week and met with the Corps of Engineers regarding MSPA’s letter of intent for dredging and also met with Senator Cochran.

EXECUTIVE DIRECTOR’S COMMENTS:

To date, two community tours have been given to the public and 526 individuals have had a first-hand look inside the port gates.

Both House and Senate funding meetings have been completed and very well-received.

We have moved from an MOU to a lease with Gulf Coast Shipyard.

Mel Arsenault will arrive March 3rd as the Director of Compliance & Corporate Responsibility.

Green Marine will be here next month to kick off their process.

APRICO is a group of rail enthusiasts that will be bringing their historical railcars to Gulfport from May 22nd through May 25th. These cars will be pulled by KCS and Amtrak onto a location outside port fencing and community tours are planned.

GENERAL COUNSEL'S COMMENTS:

Ben Stone had no comments.

MDA'S COMMENTS:

Daron Wilson had no comments but Rebecca Ferguson was introduced as a new employee of MDA's Business & Industry Division. Ms. Ferguson has office space within the Port's administrative office.

COMMISSIONER COMMENTS:

Commissioner Rester was pleased to hear of the attendance at this past weekend's tours and thanked Director Daniels and staff for their efforts.

Commissioners asked that a couple of items be placed on the website - the Annual Report and a status report from the Restoration Division. They also asked Director Daniels to give an update at the March meeting regarding the KCS rail.

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

Commissioner Simpson moved to enter Executive Session to discuss Lease Matters. Commissioner Knesal seconded and the motion was unanimously approved.

(THE BOARD OF COMMISSIONERS ENTERED INTO EXECUTIVE SESSION AT APPROXIMATELY 9:25 A.M.)

Commissioner Rester stated that no action took place during Executive Session

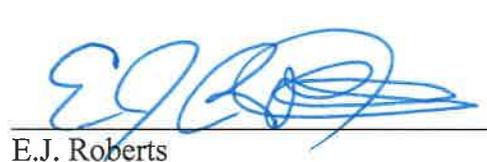
Commissioner Roberts moved to add a MOU to the agenda. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Knesal moved to authorize the MSPA and an unnamed company to engage in negotiations for exclusive rights for utilization of port property. Commissioner Roberts seconded and the motion was unanimously approved.

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

Approved and Attested

  
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John Rester  
President

  
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E.J. Roberts  
Secretary