

MISSISSIPPI PORT AUTHORITY

BOARD OF COMMISSIONERS

REGULAR MEETING

March 19, 2014

Minutes of the Mississippi State Port Authority Board of Commissioners Meeting,
Wednesday, March 19, 2014, 2510 14th 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
 Mel Arsenault, Director of Compliance
 Dale Waltman, Director of Operations
 Mary Bourdin, Director of Finance
 Kim Purchner, Executive Assistant/HRO

 Ben Stone, Legal Counsel
 Teri Wyly, 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
 Jay Carney, T.L. Wallace
 Lisa Hathorn, The Gibbes Company
 Bruce Newton, Digital Engineering
 Todd Bradford, YAJV
 John Oliver, QES, Inc.
 Courtney Haggerty, Residence Inn
 A. Windham, Hilton Garden Inn
 Anna Gibson, Watkins Eager
 Todd Bradford, Yates Anderson
 Greg Schruff, SSA
 Pastor Chris O'Brien, Seamen's Center
 Duane Wilson, DuPont
 Mark McDaniel, Yates/Anderson
 James Johnson, Biloxi NAACP
 Cathy Mackenzie, Island View Casino Resort
 Chuck Graham, Chiquita
 Michael Stasny, EMS, Inc.
 Jeff Helstrom, CH2MHill
 Brian Varnado, T.L. Wallace
 Billy Waits, Waggoner Engineering

Carlos Bell, Waggoner Engineering
Rusty Hilton, MS State Pilots
Lon Elledge, CH2MHill

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 questioned the status of the response to HUD's Monitoring Findings. He also had questions regarding Portion A of the 33rd Street property.

Commissioner Simpson moved to approve the February 18th minutes. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve travel (Feb. 26-27/Daniels to Washington, DC; March 22-25/Rester to Washington, DC; March 20-21/ Arsenault to Jackson; March 30-Apr 2/Conn to Miami). Commissioner Norris seconded and the motion was unanimously approved.

FINANCIAL REPORT:

Mary Bourdin reported on February financial activity: We had \$1.2 million in operating revenue and \$500,000 in operating expenses with an operating income of \$700,000. This is a 5.8% increase over last year. For year to date numbers, \$9 million in operating revenue and \$11.2 million in expenses - \$5.7 million of that number being HUD, so that leaves \$5.4 million operating expenses and \$3.6 million operating income. This is about 5-6% lower than last year at this time.

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

DISBURSEMENTS THROUGH FEBRUARY 28, 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
48006	Kentwood Springs	Drinking Water	123.20
48007	Advanced Disposal Service	Waste Removal Services	288.00
48008	AirGas Gulf States	Oxygen Cylinder Rental	33.18
48009	Anytime Portables, LLC	Portable Restroom Services	280.00
48010	Can't Be Beat Fence Co., LLC	Security Fencing	2,905.00
48011	RJ Young	Maintenance Agreement	132.88
48012	Cornerstone Government Affairs	Consulting Services	31,250.00
48013	Jonathan Daniels	Travel Expenses	504.15
48014	Fuelman	Fuel for MSPA Vehicles	526.82
48015	W.W. Grainger, Inc.	Maintenance Supplies	1,392.01
48016	Green Marine Alliance Verte	Membership Dues	5,000.00
48017	Gulf Coast Business Supply, Inc.	Office Supplies	129.83
48018	Hancock Bank	March Lease 14th Floor	14,432.24
48019	Hancock Bank	March Lease 8th Floor	5,241.35
48020	Brooks Johnson	Travel Advance	700.00
48021	MS Dept. of Human Services CRDU	Employee Deductions	117.70

48022	MS Pub. Employees Credit Union	Employee Deductions	400.00
48023	MSPA Petty Cash Fund	Replenish Petty Cash	79.87
48024	MS State Tax Commission	Employee Deductions	5,687.00
48025	New Orleans Publishing Group	Advertising	1,450.00
48026	Ports America, Inc.	Maintenance on Cranes	6,328.13
48027	Puckett Machinery Company	Repair Parts for Caterpillar	111.46
48028	John Rester	Travel Expenses	1,248.00
48029	Rose Office Systems, Inc.	Rental for Facilities Trailer	699.00
48030	Rose Office Systems, Inc.	Rental for Operations and Crowley Trailers	3,031.00
48031	Angela Shortt	Travel Expenses	92.88
48032	Southern Admin. and Benefits	Monthly Services Fees	200.00
48033	Specialty Hose & Fabrication	Parts for Dock Levelers	96.01
48034	Swetman Security Services, Inc.	Security Guard Services	22,353.38
CHECK DATED 2/18/14 AND RELEASED PRIOR TO SCHEDULED CHECK RUN			
48005	Jonathan Daniels	Travel Expenses	250.87
TRANSFERS			
2/20/14	Deferred Compensation	Employee Deductions	3,169.67
2/20/14	Public Employment Retirement	Retirement Match and Withheld	40,324.28
2/21/14	Federal Tax Deposit	Payroll Tax Deposit	21,738.70
			<u>21,738.70</u>
Total			<u>\$ 170,316.61</u>

FINAL CHECKLIST FOR MARCH 19, 2014

BILLS FOR THE MONTHS OF MARCH AND APRIL 2014 APPROVED AND PAID

FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK #	VENDOR	DESCRIPTION	CHK AMT
48036	Advanced Disposal Service	Waste Removal Services	553.00
48037	AFLAC	Employee Deductions	1,161.41
48038	AirGas Gulf States	Oxygen Cylinder Rental	30.84
48039	Neopost USA, Inc.	Postage Machine Rental	133.50
48040	AT&T	Telephone Service	1,708.47
48041	Bonds Services, Inc.	Janitorial Services	1,050.00
48043	Can't Be Beat Fence Co., LLC	Security Fencing	634.80
48044	Card Services	Travel Expenses	5,543.54
48045	City of Gulfport	Water	7,819.12
48046	RJ Young	Copier Maintenance Agreements	1,393.50
48047	Cornerstone Government Affairs	Consulting Services	12,500.00
48048	C Spire Wireless	Radio/Cell Phone Services	1,399.86
48049	Jonathan Daniels	Business Expense	11.49
48050	Emerald TC, LLC	Software and Maintenance Renewal	3,430.50
48051	Federal Express Corp.	Express Mail Service	271.47
48052	Frazier Law Firm, PLLC	Employee Deductions	342.06
48053	Fuelman	Fuel for MSPA Vehicles	426.81
48054	The Gibbes Company	Professional Services	31,220.33
48055	Great Southern Club	Monthly Dues and Business Expenses	817.96
48056	Gulf Ports Association	Annual Dues	200.00
48057	Gulfport Yacht Club	Business Expenses	136.52
48058	MS State Treasure Fund 3601	Long Distance Telephone/Internet Services	757.35
48059	Brooks Johnson	Travel Expenses	152.49
48060	JOC Group, Inc.	Marketing Data Subscriptions	2,921.72
48061	Robert J. Knesal	Per Diem and Travel Expenses	550.65
48062	Lowe's Home Center, Inc.	Maintenance Supplies and Ice Machine	2,026.72
48063	Maximum Auto Parts	Maintenance Supplies	190.55
48064	MS Dept. of Human Services CRDU	Employee Deductions	117.70

48065	MS Power Company	Electricity	33,744.71
48066	MS Pub. Employees Credit Union	Employee Deductions	400.00
48067	MSPA Petty Cash Fund	Replenish Petty Cash	18.98
48068	Jack Norris	Per Diem	40.00
48069	Ports America, Inc.	Maintenance on Cranes	4,971.00
48070	Legal Shield	Employee Deductions	166.41
48071	Performance Tire & Wheel, Inc.	Tire for Street Sweeper	299.00
48072	Kim Purchner	Office Supplies	46.47
48074	Redd Pest Solutions	Pest Control Services	365.00
48075	John Rester	Travel Expenses	572.92
48076	Eluse J. Roberts	Per Diem and Travel Expenses	549.05
48077	Roskopf Electrical Supply Co.	Lamps for Sheds 50 and 53	1,600.00
48078	Sam's Wholesale	Office Supplies	138.56
48079	Shred It - Mobile	Monthly Shredding 8th & 14th Floors	122.65
48080	James C. Simpson, Jr.	Per Diem	120.00
48081	Southern Printing & Silkscreen	Vehicle Decals	648.00
48082	Southern Admin. and Benefits	2014 Unreimbursed Medical New Employee	420.00
48083	State Dept. of Audit	Statewide Testwork and Property Audit	249.12
48084	Stuart C. Irby Co.	Ballast for Sheds 50 and 53	983.62
48085	The Sun Herald	Advertising	160.08
48086	Swetman Security Services, Inc.	Security Guard Services	44,464.84
48087	W.C. Fore Trucking, Inc.	Release of Retainage - 14EN01	14,245.00
48089	Matthew Wypyski	Travel Expenses	646.06
CHECK DATED 3/7/14 AND RELEASED PRIOR TO THE MEETING			
48035	Jonathan Daniels	Travel Expenses	1,481.74
TRANSFERS			
03/05/14	Deferred Compensation	Employee Deductions	3,169.67
03/07/14	Federal Tax Deposit	Payroll Tax Deposit	22,298.50
03/13/14	MS Department of Revenue	February Sales Tax Payment	3,782.01
			Total
			\$ 213,205.75

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

The following items were approved:

RENEWAL LICENSES:

Vendor: Louis Smith Welding & Construction

Steamship Agent: Transmarine Navigation Corporation; Tricor Steamship Agency, Inc.

Stevedore: SSA Gulf

Commissioner Knesal moved to approve the following progress payments: BMA (\$407,149.12); QES (\$2,637.00); W.C. Fore Trucking (\$302,315.68). Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Norris recused himself and left the meeting.

Commissioner Roberts moved to approve payment of \$23,893.77 to Balch & Bingham. Commissioner Knesal seconded and the motion was unanimously approved.

OLD BUSINESS:

Commissioner Knesal moved to Amendment No. 1 to Task Order No. 10; Contract No. 010-HUD-006 with Yates Anderson JV. Amendment No. 1 increases the task by 90 days with no change in costs. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Norris returned to the meeting.

Commissioner Roberts moved to approve Amendment No. 2 to Contract No. 010-HUD-013 with Atwell & Gent. Amendment No. 2 increases the duration by 571 days with no change in cost. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment No. 6 to Contract No. 010-HUD-007 with Volkert, Inc. Amendment No. 6 extends the contract by 774 days with no change in costs. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 5 to Contract No. 010-HUD-001 with Neel Schaffer, Inc. Amendment No. 5 extends the contract by 887 days with no change in costs. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 6 to Contract No. 010-HUD-002 with Thompson Engineering. Amendment No. 6 extends the contract by 887 days with no change in costs. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 6 to Contract No. 010-HUD-003 with QES, Inc. Amendment No. 6 extends the contract by 887 days with no change in costs. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 2 to Task Order No. 7 under Contract No. 010-HUD-013 with Atwell & Gent. Amendment No. 2 increases the duration by 179 calendar days and increases costs by \$96,540.00. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 1 to Task Order No. 26 under Contract No. 010-HUD-001 with Neel Schaffer, Inc. Amendment No. 5 increases costs by \$91,706.00. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 3 to Task Order No. 2 under Contract No. 010-HUD-013 with Atwell & Gent. Amendment No. 3 increases the duration by 365 calendar days with no change in costs. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 2 to Task Order No. 5 under Contract No. 010-HUD-012 with CDM Smith. Amendment No. 2 extends the contract by 149 calendar days and increases costs by \$36,490.00. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment No. 2 to Task Order No. 10 under Contract No. 010-HUD-002 with Thompson Engineering. Amendment No. 2 closes out and de-obligates funds for Task Order No. 10. Total de-obligated funds total \$38,385.97. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 2 to Task Order No. 22 under Contract No. 010-HUD-001 with Neel Schaffer, Inc. Amendment No. 2 increases costs by \$505,053.00. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 2 to Task Order No. 13 under Contract No. 010-HUD-002 with Thompson Engineering. Amendment No. 2 closes out and de-obligates funds for Task Order No. 13. Total de-obligated funds total \$368.67. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment No. 2 to Work Order No. 1 under Contract No. 014-HUD-021 with Fore Trucking, Inc. Amendment No. 2 closes out Work Order No. 1 and de-obligates costs by \$5,455.40. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Change Order No. 3 to Contract No. 013-HUD-018 with L&A Contractors. Change Order No. 3 increases costs by \$1,480,000.00 and adds a 70 day time extension. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Change Order No. 1 under Contract No. 13-EN-05 with W.C. Fore Trucking. Change Order No. 1 increases costs by \$40,642.00. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve a Notice of Completion for Contract No. 14-EN-01 with W.C. Fore Trucking. The DuPont test pile installation program has been completed in accordance with the plans, specifications and requirements of the contract documents. Commissioner Knesal seconded and the motion was unanimously approved.

NEW BUSINESS:

Commissioner Simpson moved to approve a three year extension, with 2 one-year options for the Hancock Bank Lease (14th floor offices). The current lease rate will remain in effect for the first year of the three year option. All other lease years will be subject to annual increases based on CPI. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Norris moved to authorize the issuance of a RFP for Disaster Recovery Solution services. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Knesal moved to table the next two items: 1) Approval of Task Order No. 16 with Anchor QEA under Contract No 010-HUD-011; and 2) Approval of Task Order No. 15 with Anchor QEA under Contract No. 010-HUD-011. Commissioner Roberts seconded and the motion was unanimously approved.

COMMUNICATIONS UPDATE:

The annual report is on-line as requested at www.shipmspa.com. Job information is posted there as well.

We have changed the tentative date of the next Port Tours to Saturday, June 7th.

Work continues on the marketing campaign.

PATHWAYS TO THE PORT UPDATE:

MSPA has agreed to host a District Work Force Council luncheon on May 6th.

Mr. Boone has recently participated in four area job fairs – Bay St. Louis, Wiggins, Moss Point and Columbia.

PORT RESTORATION UPDATE:

Future bid closing dates: Crane procurement – April 10th; landscaping project – April 3rd.

The subgrade contractor has started work; there was a small delay due to the recent rains but the contractor plans to make up time. On the wharf upgrade Phase A, L&A Contracting is behind approximately 48 days. L&A is working to hire more crew members to make up the time loss.

OPERATIONS REPORT:

Matt Wypyski, MSPA COO recognized Dan Johnson, ILA President and thanked him for the quality of work the labor force constantly does.

Matthew Wypyski reported on February maritime activity:

Vessel calls	Vessels	14		Truck Count	6,389
	Tugs	9		Railcar Count	6,085
	Barges	11		TEU's	18,370
				Tonnage (short tons)	179,483

Hurricane season begins on June 1 and we are already preparing 2 supplemental evacuation sites – 5 acres with MDOT and 10 acres with HCDC.

EXECUTIVE DIRECTOR'S COMMENTS:

We are currently at 42% with regard to our Section 3 hires.

Director Daniels introduced 2 new MSPA staff members: Mel Arsenault, Director of Compliance & Corporate Responsibility and Kim Aguillard, Community Relations & Marketing Specialist.

It has been announced that there has been a 25% increase in the amount of dredging money moving through the port. Also, we should know soon about our match funds with regard to dredging.

MSPA is working towards level I completion with Green Marine by April 1, 2014.

The lease with Gulf Coast Shipyard is complete and the motor yacht Cocoa Bean is currently in port.

Director Daniels recently met with representatives of the Federal Reserve Bank in Atlanta. This was a chance for them to get together as a group and talk about the economic conditions of the Gulf Coast. The Executive Director is actually based in New Orleans and she has heard a great deal of positive information about the port.

Commissioners and staff recently visited Costa Rica and had the opportunity to tour Dole's banana plantation operations. The opportunity was greatly appreciated.

GENERAL COUNSEL'S COMMENTS:

Ben Stone had no comments.

MDA'S COMMENTS:

Daron Wilson had no comments.

COMMISSIONER COMMENTS:

Commissioner Rester announced that Daron Wilson of MDA had recently been promoted to Director of Disaster Recovery Division of MDA. He acknowledged the great job that

Daron has with the port restoration and is thankful that we can continue to work with Daron in his new position.

Commissioner Rester welcomed a number of law students that were in the audience. These students were from Northwestern University and were visiting and working with the MS Center for Justice.

Commissioner Simpson commented on his attendance at the AAPA Maritime Economic Development Seminar recently in San Diego. He found that most ports face the same issues and was pleased to report that Stuart Jablon from Dole was a presenter. Mr. Jablon spoke highly of Dole's Gulfport operations.

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

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

(THE BOARD OF COMMISSIONERS ENTERED INTO EXECUTIVE SESSION AT APPROXIMATELY 9:30 A.M.)

Commissioner Rester stated that no action took place during Executive Session

The meeting adjourned at approximately 10:40 a.m.

Approved and Attested



John Rester
President



E.J. Roberts
Secretary