

# MISSISSIPPI PORT AUTHORITY

## BOARD OF COMMISSIONERS

### SPECIAL MEETING

**March 25, 2015**

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Minutes of the Mississippi State Port Authority Board of Commissioners Special Meeting, Wednesday, March 25, 2015, 2510 14<sup>th</sup> Street, Suite 1450, Gulfport, Mississippi, at which the following Commissioners and staff were present:

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

Staff:                     Jonathan Daniels, Executive Director & C.E.O.  
                             Matt Wypyski, Deputy Director/COO  
                             Kim Purchner, Executive Assistant/HRO  
                             Mary Bourdin, Director of Finance  
                             Mel Arsenault, Director of Compliance

Ben Stone, Balch & Bingham  
David Duhe, Balch & Bingham

Commissioner Norris noted the presence of a quorum and called the special meeting to order at approximately 9:00 a.m.

Commissioner Rester moved to close the meeting to determine the need to enter into Executive Session. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to enter into Executive Session to discuss a Legal Matter (lease negotiations). Commissioner Simpson seconded and the motion was unanimously approved.

(THE BOARD OF COMMISSIONERS ENTERED INTO EXECUTIVE SESSION AT APPROXIMATELY 9:05 A.M.)

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Commissioner Norris stated that no action took place in Executive Session.

Commissioner Rester moved to approve Resolution No. 15-1 (attached) regarding the proposed purchase and lease of certain real and personal property located within the Industrial Park, Mississippi along with a purchase option therein. Commissioner Knesal seconded and the motion was unanimously approved.

The meeting was adjourned at approximately 10:00 a.m.

Approved and Attested

  
\_\_\_\_\_  
Jack Norris  
President

  
\_\_\_\_\_  
Robert J. Knesal  
Secretary

## RESOLUTION NO. 15-01

## RESOLUTIONS OF THE MISSISSIPPI STATE PORT AUTHORITY

The Board of Commissioners of the Mississippi State Port Authority at Gulfport took up for consideration the following resolution pertaining to the proposed purchase and lease of certain real and personal property located within the Gulfport Industrial Park, Mississippi along with a purchase option therein. Thereupon, Commissioner Rester offered and moved the adoption of the following resolution:

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT (THE "PORT AUTHORITY") APPROVING THE PURCHASE OF CERTAIN REAL AND PERSONAL PROPERTY LOCATED WITHIN THE GULFPORT INDUSTRIAL PARK, MISSISSIPPI FROM HUNTINGTON INGALLS CORPORATION (H/I) AND APPROVING THE LEASING OF CERTAIN REAL AND PERSONAL PROPERTY LOCATED WITHIN THE GULFPORT INDUSTRIAL PARK, MISSISSIPPI TO TOPSHIP, L.L.C. ("TOPSHIP") WITH A POTENTIAL OPTION TO PURCHASE IN FAVOR OF TOPSHIP**

**WHEREAS**, the Port Authority desires to create and retain jobs in the community and is committed to fostering economic development within the State of Mississippi; and

**WHEREAS**, the Port Authority, the Mississippi Development Authority ("**MDA**"), and H/I entered into that certain Purchase and Sale Agreement effective as of January 5, 2015, attached hereto as **Exhibit "A"** and incorporated herein by reference, as amended by that certain First Amendment to Purchase and Sale Agreement dated February 13, 2015 (as amended, the "**Purchase Agreement**"), pursuant to the terms of which the MDA and the Port Authority agreed to purchase that certain real and personal property located within the Gulfport Industrial Park, Mississippi as more particularly described in the Purchase Agreement (the "**Purchase Agreement Property**"); and

**WHEREAS**, in addition to the Purchase Agreement Property, H/I will convey to the MDA and the Port Authority by quitclaim deed certain accreted property adjacent to the Purchase Agreement Property (collectively with the Purchase Agreement Property, the "**Property**") as part of the transactions contemplated under the Purchase Agreement; and

**WHEREAS**, the purchase of the Property is expected to stimulate additional private economic development activities; and

**WHEREAS**, immediately upon the completion of the transactions contemplated under the Purchase Agreement, the MDA and the Port Authority desire to lease the Property to Topship under the terms of that certain lease agreement attached hereto as **Exhibit "B"** and incorporated herein by reference (the "**Lease Agreement**"); and

**WHEREAS**, the Lease Agreement is on such terms and conditions and with such safeguards as would best promote and protect the public interest and contains adequate consideration; and

WHEREAS, pursuant to the terms of the Lease Agreement, Topship may be granted an option to purchase the Property (the "*Purchase Option*"); and

WHEREAS, the Port Authority anticipates the lease of the Property will allow the Port Authority to substantially contribute to the fulfillment of the its goal of creating new jobs in Gulfport and that any and all such jobs will be counted by the MDA toward the Port Authority's commitment to create jobs as described in that certain Memorandum of Understanding by and between the Port Authority and the MDA attached hereto as Exhibit "C" and incorporated herein by reference (the "*MOU*"); and

WHEREAS, on March 9, 2015, the Port Authority authorized the Executive Director to ratify, negotiate, approve, execute and deliver on behalf of the Mississippi State Port Authority all documents and instruments necessary or desirable to be negotiated, approved, executed and delivered for the purchase of the Huntington Ingalls property located on Seaway Road in Gulfport, Mississippi and to ratify, negotiate, approve, execute and deliver a lease agreement to Topship, L.L.C. containing an option to purchase the Huntington Ingalls property by Topship, L.L.C., subject to final determination of certain legal issues; and

WHEREAS, the Port Authority desires to approve, authorize, ratify and affirm all of the foregoing.

**NOW, THEREFORE BE IT RESOLVED**, that the Port Authority hereby (i) ratifies and affirms the Purchase Agreement and the execution and delivery thereof; (ii) approves, authorizes and affirms the leasing of the Property to Topship under the terms and conditions of the Lease Agreement and authorizes the execution, delivery and performance of the Lease Agreement, including the Purchase Option, on the terms and conditions and in the form set forth in Exhibit "B" attached hereto; and (iii) approves, authorizes and affirms the granting of the Purchase Option to Topship under the terms and conditions of the Lease Agreement.

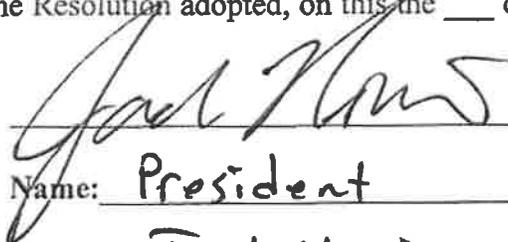
**BE IT FURTHER RESOLVED**, that the Executive Director and the President of the Board of Commissioners is hereby authorized to execute, deliver, record and perform the Lease Agreement with such corrections, modifications and additional documents as may be reasonably necessary and appropriate and to take all other reasonably necessary action to carry out the provisions of this Resolution with the contracts and agreements mentioned herein.

**BE IT FURTHER RESOLVED**, that the Port Authority hereby approves and authorizes the sale of the Property should Topship exercise the Purchase Option under the terms and conditions of the Lease Agreement and that the Executive Director and the President of the Board of Commissioners of the Port Authority then in office is hereby authorized to execute, deliver, record and perform any documents as may be reasonably necessary and appropriate and to take all other reasonably necessary action to carry out the sale of the Property should Topship exercise the Purchase Option under terms and conditions of the Lease Agreement.

Commissioner Knesal seconded the motion to adopt the foregoing Resolution, and the vote thereupon was as follows:

	<u>Voted:</u>
Commissioner Knesal:	<u>Aye</u>
Commissioner Norris:	<u>Aye</u>
Commissioner Rester:	<u>Aye</u>
Commissioner Roberts:	<u>Aye</u>
Commissioner Simpson:	<u>Aye</u>

The motion having received the foregoing vote of the Board of Commissioners, the President declared the motion carried and the Resolution adopted, on this the \_\_\_ day of March, 2015.

  
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Name: President  
Title: Jack Norris