

MISSISSIPPI PORT AUTHORITY

BOARD OF COMMISSIONERS

REGULAR MEETING

March 27, 2015

Minutes of the Mississippi State Port Authority Board of Commissioners Meeting, Friday, March 27, 2015, 2510 14th Street, Suite 1500, Gulfport, Mississippi at which the following Commissioners and staff were present:

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

Staff: Jonathan Daniels, Executive Director/CEO
Matthew Wypyski, Chief Operating Officer
John Webb, Director of Engineering
Dale Waltman, Director of Operations
Mary Bourdin, Director of Finance
Mel Arsenault, Director of Compliance
Carlos Bell, Director of Community Relations/Marketing
Nick Foto, Deputy Program Manager
Kim Purchner, Executive Assistant/HRO
Kim Aguillard, Marketing Specialist
Shawn Meyer, Deputy Director of Operations
Chuck Graham, Crane Specialist

David Duhe, Legal Counsel

Others: Duane Wilson, DuPont
Phillip Carter, MDA
Howard Page, Steps Coalition
Robert Boone, RFB, LLC
T.A. Morgan, T.L. Wallace
Randall Love, T.L. Wallace
Glen Cobb, Pathways to the Port
Mark Schloegel, Stewart Sneed Hewes
Michael Sheeley, CH2MHill
Rusty Hilton, MS State Pilots' Assn.
Chris Williams, BMA
John Coughlin, YAJV
Richie Ashley, Neel-Schaffer
Maurice Manuel, YAJV
Stephen Saussy, T.L. Wallace
Kym Davis, YAJV
Anna Gibson, Watkins Eager
Tom Ryburn, CH2MHill
Truck Casey, Gulfport City Council
Avery Windham, Hilton Garden Inn Gulfport
Candace Sutherland, Hilton Garden Inn Gulfport
James W. Crowell, Biloxi NAACP
Pastor Chris O'Brien, International Seamen's Center
Darius Johnson, ILA Local 1303
Anthony Williams, Local 1303

Jesse Parker, Ports America
 Lala Parker
 Todd Stockberger, CH2MHill
 Tom Espy, Strategic Systems, Inc.
 Veronica Woods, Strategic Systems, Inc.
 Steve Twedt, Neel Schaffer
 David Bowman, Neel Schaffer
 Chris Johnson, Local ILA 1303
 Don Collins, Dan Hensarling, Inc.
 Inessa Ramsey, CH2MHill
 Nathan Tyler

Commissioner Norris 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 Norris.

PUBLIC COMMENTS:

Lala Parker questioned Commissioners regarding the rebuilding of a freezer.

Howard Page, STEPS Coalition, also asked about the rebuilding of a freezer. He also had questions regarding the progress of the response from MDA to the February HUD requirements regarding jobs.

Commissioner Roberts moved to approve the February 11th, February 19th, February 26th and March 9th minutes. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve travel (March 10-11/Charlton, Meyer to Starkville; May 4-5/Arsenault to Southaven; March 19-23/Rester to Panama Canal. 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 MARCH 12, 2015
 BILLS FOR THE MONTHS OF FEBRUARY AND MARCH 2015 APPROVED AND PAID
 FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK#	VENDOR	DESCRIPTION	CHK AMT
49353	Advanced Disposal Services	Waste Removal Services	150.00
49354	AFLAC	Employee Deductions	1,397.33
49355	AirGas Gulf States	Oxygen Cylinder Rental	65.69
49356	Apple, Inc.	Computer and Software	2,598.99
49357	Neopost USA, Inc.	Postage Machine Rental	140.18
49358	AT&T	Telephone Services	1,750.32
49359	Biloxi Branch NAACP	Sponsorship	400.00
49360	Bonds Services, Inc.	Janitorial Services	1,275.00
49361	Card Services	Travel Expenses	1,133.40
49362	Card Services	Travel Expenses	1,628.01
49363	City of Gulfport	Water	9,695.81
49364	Sun Coast Business Supply	Office Supplies	427.61

49365	Cornett Bolt & Screw	Maintenance Supplies	183.64
49366	Gulf Eagle Supply	Maintenance Supplies	171.40
49367	Federal Express Corp.	Express Mail Services	382.01
49368	Fuelman	Fuel for MSPA Vehicles	374.20
49369	Grainger, Inc.	Maintenance Supplies	371.83
49370	Great Southern Club	Monthly Dues and Business Expenses	476.62
49371	Green Marine Alliance Verte	2015 Membership Dues	5,125.00
49372	Gulfport Yacht Club	Business Expense	40.58
49373	MS State Treasurer Fund 3601	Long Distance Telephone/Internet Services	771.88
49374	Maximum Auto Parts	Automotive Supplies	390.49
49375	MS Development Authority	Business Dev. Mission to Dominican Republic	700.00
49376	MS Dept. of Human Services CRDU	Employee Deductions	304.45
49377	MS Gulf Coast Chamber of Comm.	Membership Dues	80.00
49378	MS Power Company	Electricity	37,130.51
49379	MS Pub. Employees Credit Union	Employee Deductions	400.00
49380	MSPA Petty Cash Fund	Replenish Petty Cash	136.24
49381	Naylor, LLC	Advertising	2,229.50
49382	Ports America, Inc.	Maintenance on Cranes	16,430.45
49383	Performance Tire & Wheel, Inc.	Tires for Unit # 5	200.60
49384	RJ Young Company, Inc.	Copier Maintenance Agreements	1,454.62
49385	Rose Office Systems, Inc.	Rental for Facilities/Ops./Crowley Trailers	3,730.00
49386	Sorg Printing, LLC	Brochures and Business Cards	288.00
49387	Southern Printing & Silkscreen	Port Signage	931.20
49388	Southern Admin. and Benefits	Monthly Service Fees	200.00
49389	Patrick R. Sullivan	Photography Services	235.00
49390	The Sun Herald	Advertising	3,080.00
49391	Swetman Security Services, Inc.	Security Guard Services	22,110.26
49392	Tony's Brick Oven Pizzeria	Business Presentation to Staff	136.90
49393	Untangle, Inc.	Software Renewal	1,080.00
49394	Dale Waltman	Business Expense	52.64
49395	WXXV TV	February Web Camera Lease	1,200.00
CHECK DATED 3/10/15 AND RELEASED PRIOR TO SCHEDULED CHECK RUN			
2/12/35	Jonathan Daniels	Travel Expenses	894.64
TRANSFERS			
03/04/15	Deferred Compensation	Employee Deductions	2,149.17
03/06/15	Federal Tax Deposit	Payroll Tax Deposit	22,840.14
03/09/15	Balch & Bingham, LLP Trust Account	Escrow Deposit	250,000.00
03/11/15	MS Department of Revenue	February Sales Tax Payment	3,324.10
			Total
			<u>\$ 400,268.41</u>

FINAL CHECKLIST FOR MARCH 27, 2015

BILLS FOR THE MONTHS OF MARCH AND APRIL 2015 APPROVED AND PAID

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

CHK#	VENDOR	DESCRIPTION	CHK AMT
49400	American Assoc. of Port Auth.	Registration Fees	2,175.00
49401	ABC Rental, Inc.	Tool Rental	143.00
49402	Kentwood Springs	Drinking Water	187.71
49403	Anytime Portables, LLC	Portable Restroom Services	280.00
49404	Melanie J. Arsenault	Mileage Reimbursement	181.90
49405	Carlos Bell	Travel Expense and Reimb. for NAACP Dues	194.60
49408	Joshua Charlton	Travel Expenses	146.16
49410	State School Insurance Fund	Employee Deductions	13,588.18
49411	Dept. of Finance & Admin.	MMRS Charges	166.30

49412	Federal Express Corp.	Express Mail Services	252.03
49413	Fuelman	Fuel for MSPA Vehicles	457.51
49414	Grainger, Inc.	Maintenance Supplies	116.15
49415	Guardian	Employee Dental Deductions	1,208.81
49416	Gulf Coast Business Supply, Inc.	Toner Cartridges and Office Supplies	1,500.16
49417	Gulfport Industrial Supply, Inc.	Maintenance Supplies	437.50
49418	Hancock Bank	Safe Deposit Box Rental	35.00
49419	Hancock Bank	April Lease for Suites 880 and 1450	19,705.53
49420	Robert J. Knesal	Per Diem	80.00
49422	Louisiana Dept. of Natural Resources	Permit Application Fee	100.00
49423	Lowe's Home Center, Inc.	Maintenance Supplies and Tools	1,237.36
49424	Maximum Auto Parts	Automotive Supplies	69.38
49425	Shawn Meyer	Travel Expenses	162.14
49426	Mississippi Utilities Supply	Plumbing Supplies	679.27
49427	MS Dept. of Human Services CRDU	Employee Deductions	304.45
49428	MS Pub. Employees Credit Union	Employee Deductions	400.00
49429	MS State Tax Commission	Employee Deductions	5,980.00
49430	Naylor, LLC	Advertising	450.00
49431	Jack Norris	Per Diem	120.00
49432	Ports America, Inc.	Crane Maintenance	6,044.41
49433	Legal Shield	Employee Deductions	182.36
49435	Redd Pest Solutions	Pest Control Services	271.00
49436	RJ Young Company, Inc.	Copier Maintenance Agreements	1,156.00
49437	Eluse J. Roberts	Per Diem	120.00
49438	Rose Office Systems, Inc.	Rental for Facilities/Ops./Crowley Trailers	3,730.00
49439	Seal Electrical, Inc.	Labor to Locate Underground Power Lines	333.50
49440	Sorg Printing, LLC	Business Card Shells	693.00
49441	James C. Simpson, Jr.	Per Diem	160.00
49442	Norma Jean Soroe	Transcription Fees	404.48
49443	Southern Admin. and Benefits	Monthly Service Fees	200.00
49444	Stuart C. Irby Co.	Lamps and Ballasts	297.02
49445	Swetman Security Services, Inc.	Security Guard Services	22,649.24
49446	Vision Service Plan	Employee Deductions	230.24
49447	Dale Waltman	Business Expense	93.04
CHECKS DATED 3/19/15 AND RELEASED PRIOR TO THE MEETING			
49396	City of Gulfport	Water	1,237.21
49397	C Spire Wireless	Radio/Cell Phone Services	1,600.08
49398	Jonathan Daniels	Travel and Business Expenses	145.05
49399	Matthew Wypyski	Travel Expenses	244.01
TRANSFERS			
3/12/15	Balch & Bingham, LLP Trust Account	Escrow Deposit	15,650,000.00
3/20/15	Deferred Compensation	Employee Deductions	2,149.17
3/20/15	Federal Tax Deposit	Payroll Tax Deposit	23,269.46
3/24/15	Balch & Bingham, LLP Trust Account	Escrow Deposit	5,000,000.00
3/24/15	Balch & Bingham, LLP Trust Account	Escrow Deposit	1,000,000.00
3/24/15	Public Employment Retirement	Retirement Match and Withheld	42,706.84
			\$21,808,274.25

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

The following items were approved:

RENEWAL LICENSES:

Vendor: Louis Smith Welding & Construction

Steamship Agent: Transmarine Navigation Corp.; Tricon Steamship Agency, Inc.

Stevedore: SSA Gulf

Commissioner Rester moved to approve the following progress payments: BMA (\$157,839.86); Can't Be Beat Fence Co. (\$31,057.20); Continental Construction (\$2,719,327.50); L&A Contracting (\$614,022.94); QES, Inc. (\$10,044.00). Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Norris recused himself from the next item involving Balch & Bingham.

Commissioner Knesal moved to approve payment of \$15,262.50 to Balch & Bingham. Commissioner Rester seconded and the motion was unanimously approved.

OLD BUSINESS:

Commissioner Rester moved to approve Amendment No. 12 under Contract No. 011-HUD-014 with Atkins North America. Amendment No. 12 extends the period of performance by 596 days with no change in costs. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment No. 6 to Task Order No. 9 under Contract No. 010-HUD-002 with Thompson Engineering. Amendment No. 6 de-obligates \$18,020.71 and the task order duration is complete. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 2 to Task Order No. 15 under Contract No. 010-HUD-002 with Thompson Engineering. Amendment No. 2 de-obligates \$12,802.32 and the task order is complete. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment No. 1 to Task Order No. 5 under Contract No. 010-HUD-010 with Michael Baker, Jr. Amendment No. 1 de-obligates \$9,092.76 and the task order is complete. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment No. 4 to Task Order No. 5 under Contract No. 010-HUD-011 with Anchor QEA, LLC. Amendment No. 4 de-obligates \$28,061.75 and the task order is complete. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 2 to Task Order No. 16 under Contract No. 010-HUD-011 with Anchor QEA. Amendment No. 2 extends the period of performance by 325 days with no change in costs. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment No. 1 to Task Order No. 17 under Contract No. 010-HUD-011 with Anchor QEA. Amendment No. 1 closes out the task order and the complete lump sum budget of \$169,500.00 was expended. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 2 to Task Order No. 1 under Contract No. 014-HUD-023 with Tropical World Landscape & Irrigation. Amendment No. 2 de-obligates \$3,445.54 and the task order is complete. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Knesal recused himself from the next two items involving Necaie Brothers Construction.

Commissioner Roberts moved to approve Change Order No. 1 with Necaie Brothers Construction under Contract No. 015-HUD-026. Change Order No. 1 adds \$303,169.56 and adds 14 days to milestone #1, without increasing the overall duration of the Project. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Change Order No. 2 with Necaie Brothers. Change Order No. 2 adds \$135,500.00 to the contract and no additional time. Commissioner Simpson seconded and the motion was approved with the following votes:

Commissioner Rester – affirmative	Commissioner Simpson – affirmative
Commissioner Roberts – negative	Commissioner Norris – affirmative

Commissioners Knesal and Rester recused themselves from the next agenda item involving Dan Hensarling, Inc.

Commissioner Simpson moved to award a contract award to Dan Hensarling, Inc. for the Terminal 3 M&R Building (Dole). Three bids were received and Dan Hensarling, Inc. was the best and lowest bidder at \$3,333,491.50. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Rester moved to approve the Dole Fresh Fruit Lease Amendment No. 2. Amendment No. 2 extends the lease potentially through 2038 in preparation for completion of a new facility on the West Terminal. Commissioner Roberts seconded and the motion was unanimously approved.

NEW BUSINESS:

Commissioner Rester moved to authorize an advertisement for bid for the DuPont Ilmenite Facility, Conveyor Hopper project. Commissioner Roberts seconded and the motion was unanimously approved.

Director Daniels withdrew the next agenda item: Task Order No. 34 with Neel-Schaffer, Inc. under Contract No. 010-HUD-001.

Commissioner Rester moved to approve Task Order No. 35 with Neel – Schaffer, Inc. under Contract No. 010-HUD-001. Task Order No. 35 has duration of 180 calendar days and a not to exceed amount of \$208,328.00. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Task Order No. 2 under Contract No. 014-HUD-023 with Tropical World Landscape & Irrigation. Task Order No. 2 has duration of 60 calendar days and a not to exceed amount of \$44,891.00. Commissioner Simpson seconded and the motion was unanimously approved.

COMMUNITY RELATIONS UPDATE:

Carlos Bell, Director of Community Relations and Marketing reported on survey results from the Port Community Tours. Five tours have been provided to the public, with the last tour being February 28th.

PORT RESTORATION UPDATE:

Work with L&A is progressing quite well on the wharf contract. Necaie Brothers is on schedule, despite the rain. We should see the 30th Avenue construction area open up by next week. As far as Southern Industrial, piling operations will begin again next week. Bertucci Contracting is progressing ahead of schedule on the small craft harbor area.

OPERATIONS REPORT:

Matthew Wypyski reported on the maritime activity for January:

Vessel calls	Vessels	10		Railcar Count	551
	Tugs	12		TEU's	10,851
	Truck Count	5,175		Tonnage (short tons)	100,262
	Barges	33			

Mr. Wypyski acknowledged Dan Johnson, ILA President, and thanked him for his continued service. He also reported 778 cement trucks came in and out of the port in less than 24 hours for the large concrete pour at the DuPont project.

EXECUTIVE DIRECTOR'S COMMENTS:

Director Daniels announced the execution of a long term lease extension with Dole Fresh Fruit.

USM's Port Sur just traversed through the Panama Canal on its way to its home port – the Port of Gulfport. We are pleased and proud to be a partner with USM and the State of Mississippi with this most important oceanographic research vessel.

We have just purchased the Huntington Ingalls's 116 acre site on Seaway Road and simultaneously executed a lease for that property with TopShip, LLC (Chouest). We have a 40 year lease agreement with TopShip for that property.

McDermott's DB50 will be docking at the Port on Monday.

The decision has been made to have blast and freezer capacity in the new transit shed that is currently being constructed .

GENERAL COUNSEL'S COMMENTS:

David Duhe thanked Director Daniels and the Commission for the exciting opportunities available in working with the Port.

MDA'S COMMENTS:

Philip Carter issued congratulations on the acquisition of the Seaway property and the lease extension with Dole Fresh Fruit.

COMMISSIONER COMMENTS:

Commissioner Simpson responded to the comments made regarding a freezer and the fact that the poultry business has been in decline. He also thanked the Harrison County Development Commission for their efforts toward the Seaway acquisition.

Commissioner Roberts applauded the Director and staff for the three long term leases that are currently in place. Progress is being made at the port and positive things are happening.

Commissioner Knesal commended the Director and staff for their efforts on the Seaway property acquisition. He also welcomed Dan Hensley as a new contractor on the port.

HENSARLING

Commissioner Rester was able to be onboard the Point Sur when it traversed through the Panama Canal and wanted everyone to realize the importance of this research vessel. It's a unique partnership that we're beginning with the University of Southern Mississippi. As far as the purchase of the Seaway property, many good things will come from this and we are excited to be working with Chouest, a very respectable worldwide company.

Commissioner Norris spoke of the science and technology base that is located here in South Mississippi and the Point Sur is an important part of this business and we're glad to

play a role. Also, the property acquisition is significant – there is a great future with Edison Chouest, the largest offshore supply company in the world. Last but not least, is the Dole long term lease – with all of these important partnerships reported on today – it’s a monumental day for the Port of Gulfport. We are helping with a diversified and growing economy for Mississippi.

Commissioner Roberts moved to close the meeting to determine the need in open session for Executive Session. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Simpson moved to enter Executive Session to discuss Real Estate (lease negotiations) Matters and Personnel Matters. Commissioner Rester seconded and the motion was unanimously approved.

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

Commissioner Rester moved to come out of Executive Session. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Norris stated that no action took place during Executive Session

Commissioner Rester moved to authorize the Executive Director to negotiate and enter into a lease option with an undisclosed tenant for Terminal 4. Commissioner Knesal seconded and the motion was unanimously approved.

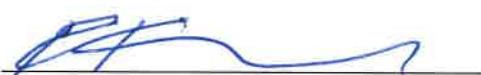
Commissioner Rester moved to adjourn. Commissioner Knesal seconded and the motion was unanimously approved.

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

Approved and Attested



Jack Norris
President



Robert J. Knesal
Secretary