

MISSISSIPPI PORT AUTHORITY

BOARD OF COMMISSIONERS

REGULAR MEETING

July 26, 2016

Minutes of the Mississippi State Port Authority Board of Commissioners Meeting, Tuesday, July 26, 2016, 2510 14th Street, Suite 1500, Gulfport, Mississippi at which the following Commissioners and staff were present:

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

Staff: Jonathan Daniels, Executive Director/CEO
Matthew Wypyski, Chief Operating Officer
John Webb, Director of Engineering
Kim Purchner, Executive Asst./HRO
Mel Arsenault, Director of External Affairs
DeeDee Wood, Chief Financial Officer
Carlos Bell, Director of Public Engagement
Dale Waltman, Director of Operations
Nick Foto, Deputy Program Manager
Kim Aguillard, Media & Marketing Manager
Shawn Meyer, Deputy Operations Director

David Duhe, Legal Counsel

Others: Duane Wilson, Chemours
Daron Wilson, MDA
Randall Love, T.L. Wallace
Casey McConnell, YAJV
Richie Ashley, Neel-Schaffer
Robert Boone, RLB, LLC
Michael Sheely, CH2MHill
Damon Torricelli, Neel-Schaffer, Inc.
Violetta Cisotto, Digital Engineering
Maurice Manuel, YAJV
Bob Burns, CH2MHill
Cindy Lamb, Pickering
Brian Smith, Watkins & Eager
Howard Page, Steps Coalition
Brian Deschamp, Eustis Engineering
Mark Schloegel, Bancorp South
Shorty Sneed, SSH
Lillian Jenkins, Home LLP
Jim Clayton, Page & Jones, Inc.
Marcia Crawford, HCDC
Mark Lishen, EGH
Bill Knox, Lemon Mohler
Donna Brignac, Hilton Garden Inn Gulfport

Bailey Fair, Watkins & Eager
 Tut Kinney, self
 Glenn Cobb, Port Coalition
 Greg Schruoff, SSA

Commissioner Roberts 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 Roberts.

The invocation was led by Carlos Bell, MSPA.

PUBLIC COMMENTS:

Howard Page, Steps Coalition requested that MSPA get together with the West Side Community Association to speak about hurricane evacuation procedures. He also would like a copy of those procedures in writing.

Tut Kinney addressed the Commission with concern for how taxpayer's money is being spent and asked Commissioners to do diligent research on each contract.

Glenn Cobb, Port Campaign Coalition expressed his disappointment with the notice of the date change for the Board Meeting. He also questioned the status of the barrier landscaping on Hwy 90.

Commissioner Rester moved to approve the June 23rd and July 5th Minutes. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve travel (July 20-21/Daniels, Wypyski to Fort Lauderdale, FL; July 26-29/Daniels to Jackson & Philadelphia, MS; Sept. 18-21/Aguillard to Destin, FL). Commissioner Rester 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 14, 2016
 BILLS FOR THE MONTHS OF JUNE AND JULY 2016 APPROVED AND PAID
 FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK#	VENDOR	DESCRIPTION	CHK AMT
51100	Kentwood Springs	Drinking Water	182.76
51101	AICPA	Membership Dues	255.00
51102	AirGas Gulf States	Oxygen Cylinder Rental	34.50
51103	American Journal of Trans.	Advertising	1,296.00
51104	Anytime Portables, LLC	Portable Restroom Services	330.00
51105	Melanie J. Arsenaault	Travel Expenses and Supplies	639.85
51106	Barefield Workplace Solutions, Inc.	Office Supplies	100.12
51107	AT&T	Telephone Services	1,727.46
51108	Ben Nelson Golf & Utility Vehicles	3 Electric Utility Vehicles	27,636.00
51109	Card Services	IANA Membership Dues	350.00
51110	Chancellor, Inc.	Electrical Supplies and Lights	5,878.44
51111	City of Gulfport	Water	16,415.40
51112	Sun Coast Business Supply	Office Supplies and Toner Cartridges	538.73
51113	C Spire Wireless	Radio/Cell Phone Service	1,273.71
51114	Eagle Energy, Inc.	Diesel for Cranes	4,657.39
51115	Emerald TC, LLC	Computer Services	647.50
51116	Federal Express Corp.	Express Mail Services	278.16

51117	Fuelman	Fuel for MSPA Vehicles	312.31
51118	Grainger, Inc.	Maintenance Supplies	301.08
51119	Great Southern Club	Monthly Dues and Business Expenses	2,005.03
51120	Gulf Coast Business Supply, Inc.	Office Supplies and Large U.S. Flag	1,683.72
51121	Gulf South Customized, Inc.	Tool Kits for New Transit Vans	4,403.70
51122	Gulfport Yacht Club	Business Expenses	72.58
51123	Logista	Computer Services	260.00
51124	MS State Treasurer Fund 3601	Long Distance Telephone/Internet Services	2,037.64
51125	Isco Metals & Supply, LLC	Parts for Flag Display	70.00
51126	Lowe's Home Center, Inc.	Dishwasher and Maintenance Supplies	595.42
51127	Maximum Auto Parts	Automotive Supplies	957.80
51128	MS Dept. of Human Services CRDU	Employee Deductions	156.00
51129	MS Pub. Employees Credit Union	Employee Deductions	320.00
51130	MSPA Petty Cash Fund	Replenish Petty Cash	29.81
51131	MS Public Broadcasting	Video of Crane Arrival	24,440.32
51132	Alex North	Framed Print of Port	63.00
51133	Ports America, Inc.	Draying Crowley and Dole Containers	20,098.45
51134	Kim Purchner	Reimburse for Mileage	8.64
51135	Redd Pest Solutions	Pest Control Services	271.00
51136	Rose Office Systems, Inc.	Construction Trailer Rentals	3,031.00
51137	Seal Electrical, Inc.	Install Receptacles in Ops. IT Room	346.50
51138	Shred-It USA, LLC	Document Shredding	76.58
51139	Norma Jean Soroe	Transcription Fees	474.48
51140	Southern Admin. and Benefits	Unreimbursed Medical	1,250.00
51141	Southern Admin. and Benefits	Monthly Service Fee	200.00
51142	Stewart Sneed Hewes, Inc.	FY17 Workers Compensation	1,071.70
51143	The Sun Herald	Advertising	3,001.00
51144	Swetman Security Services, Inc.	Security Guard Services	46,377.70
51145	Dale Waltman	Business Expenses	84.14
51146	Waste Oil Collectors, Inc.	Waste Oil Removal	815.00
51147	Waste Management	Waste Removal Services	195.00
51148	John Webb	Business Expenses	50.76
51149	Wright National Flood Ins.	Flood Insurance for Sheds 16, 50 and 53	68,376.00
51150	WXXV TV	February and June Web Camera Lease	2,400.00
CHECKS DATED 7/7/16 AND RELEASED PRIOR TO SCHEDULED CHECK RUN			
51095	Jonathan Daniels	Business and Travel Expenses	608.33
51096	MS Dept. of Human Services CRDU	Employee Deductions	156.00
51097	MS Power Company	Electricity	56,441.13
51098	MS Pub. Employees Credit Union	Employee Deductions	320.00
51099	MS State Tax Commission	Employee Deductions	7,114.00
TRANSFERS			
06/24/16	Deferred Compensation	Employee Deductions	2,149.17
06/25/16	Federal Tax Deposit	Payroll Tax Deposit	25,848.71
06/29/16	Public Employment Retirement	Retirement Match and Withheld	44,987.31
07/08/16	Deferred Compensation	Employee Deductions	2,186.67
07/08/16	Federal Tax Deposit	Payroll Tax Deposit	32,940.04
Total			\$ 420,828.74

FINAL CHECKLIST FOR JULY 26, 2016
 BILLS FOR THE MONTHS OF JULY AND AUGUST 2016 APPROVED AND PAID
 FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK#	VENDOR	DESCRIPTION	CHK AMT
51151	AFLAC	Employee Deductions	1,490.71

51152	AIG	Workers Compensation Insurance	28,049.00
51153	Boot Outlet, LLC	Employee Work Boots	1,284.50
51155	Continental Construction Co.	Release of Retainage	2,211,397.47
51156	Jonathan Daniels	Business and Travel Expenses	34.40
51157	State School Insurance Fund	Employee Deductions	16,129.16
51159	Emerald TC, LLC	Computer Services	92.50
51160	Federal Express Corp.	Express Mail Services	33.40
51161	Fuelman	Fuel for MSPA Vehicles	196.77
51162	Gleem Paint Center	Traffic Zone Marking Paint	179.90
51163	Guardian	Employee Dental Deductions	1,257.54
51164	Gulf Coast Business Supply, Inc.	Office Supplies and Toner Cartridges	426.00
51165	Gulfport Main St. Association	Membership Dues	250.00
51166	Gulfport Main St. Association	Red Clay & Sand Mixer Sponsorship	750.00
51167	Hancock Bank	August Lease for Suites 880 and 1450	19,994.17
51168	Jerry's Lawn Mower Sales	Replacement Spools for Weedeaters	71.40
51169	Robert J. Knesal	Per Diem	120.00
51170	Meltwater News US Inc.	Media Monitoring Software	5,000.00
51171	MS Dept. of Human Services CRDU	Employee Deductions	156.00
51172	MS Pub. Employees Credit Union	Employee Deductions	320.00
51173	MS State Tax Commission	Employee Deductions	7,972.00
51174	Jack Norris	Per Diem	120.00
51175	Legal Shield	Employee Deductions	46.86
51178	RJ Young Company, Inc.	Copier Maintenance Agreements	1,171.00
51179	Eluse J. Roberts	Per Diem	120.00
51180	Shred-It USA, LLC	Document Shredding Services	238.33
51181	James C. Simpson, Jr.	Per Diem	120.00
51182	Stewart Sneed Hewes, Inc.	FY17 Insurance	2,817,099.27
51183	Swetman Security Services, Inc.	Security Guard Services	23,574.43
51184	Vision Service Plan	Employee Deductions	265.07
51185	John Webb	Travel Expenses	50.76
TRANSFERS			
7/15/16	MS Department of Revenue	June Sales Tax Payment	5,026.66
7/22/16	Deferred Compensation	Employee Deductions	1,270.00
7/22/16	Federal Tax Deposit	Payroll Tax Deposit	25,434.72
BILLS APPROVED AND PAID FROM THE EARNINGS FUND			
1100	Treasurer - State of MS	Port Improvement Bond	3,029,976.25
		Total	<u>\$8,199,718.27</u>

Commissioner Simpson 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: Coast Coca Cola Bottling Company; J C Ehrich Company dba Presto X; Tire Center, LLC; Industrial Corrosion Control; Mid-Gulf Shipping; Mike Matthews Enterprises (Formally A&M Petroleum); Applus RTD USA Inc.; Vacuum Service Group, LLC; Airgas USA, LLC

Commissioner Rester moved to approve the following progress payments:

Balch & Bingham (\$44,395.64); BMA (\$168,222.52); Doleac Electric Co. (\$363,526.05); G.A. West & Company (\$1,498,238.20); Prism Systems, Inc. (\$28,671.25); QES (\$1,310.50); YAJV (\$258,845.29). Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve the following cash requests:

Cash Request #133 – MSPA (\$58,461.48); Neel Schaffer (\$203,129.53); Atwell & Gent (\$68,012.58); Anchor QEA (\$30,180.47); Atkins (\$36,605.69); Necaize Brothers (\$3,718,660.20); QES (\$57,110.61); Michael Baker (\$21,300.77); Dan Hensarling (\$283,796.35); Wharton Smith (\$262,977.91); YAJV (\$68,144.50); Volkert (\$8,024.64); CH2MHill (\$221,612.24) and RFB, LLC (\$3,400.00) for a sub-total of \$5,041,416.97.

Cash Request #134 – L&A Contracting (\$503,029.51) and Necaize Brothers (\$924,811.91) for a total of \$1,427,841.42.

Cash Request #135 – L&A Contracting (\$281,855.59) and Necaize Brothers (\$1,102,011.90) for a total of \$1,383,867.49.

Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Knesal recused himself from the Eley, Guild, Hardy motion and discussion and left the room.

Commissioner Simpson moved to approve payment of \$275,607.75 to Eley, Guild, Hardy Architects under Cash Request #133. The total for Cash Request #133 was \$5,317,024.72. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Knesal returned.

OLD BUSINESS:

Commissioner Knesal moved to approve Amendment No. 4 to Task Order No. 17 with Neel Schaffer, Inc. under Contract No. 010-HUD-001. Amendment No. 4 adds 235 days with no change in costs. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 3 to Task Order No. 31 with Neel Schaffer, Inc. under Contract No. 010-HUD-001. Amendment No. 3 de-obligates \$23,244.38 and all work has been completed and accepted. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Amendment No. 3 to Task Order No. 33 with Neel Schaffer, Inc. under Contract No. 010-HUD-001. Amendment No. 3 adds 60 days with no change in costs. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 2 to Task Order No. 36 with Neel Schaffer, Inc. under Contract No. 010-HUD-001. Amendment No. 2 adds 60 days with no change in costs. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 3 to Task Order No. 37 with Neel Schaffer, Inc. under Contract No. 010-HUD-001. Amendment No. 3 adds 183 days with no change in costs. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 1 to Task Order No. 38 with Neel Schaffer, Inc. under Contract No. 010-HUD-001. Amendment No. 1 adds 127 days with no change in costs. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 1 to Task Order No. 20 with Thompson Engineering under Contract No. 010-HUD-002. Amendment No. 1 de-obligates \$43.06 and all work has been completed and accepted. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Simpson left the meeting.

Commissioner Rester moved to approve Amendment No. 2 to Task Order No. 9 with QES, Inc. under Contract No. 010-HUD-003. Amendment No. 2 adds 242 days and has an increase in costs of \$220,000.00. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal recused himself from the Eley, Guild, Hardy motion and discussion and left the room.

Commissioner Norris moved to approve Amendment No. 1 to Task Order No. 1 with Eley, Guild, Hardy Architects under Contract No. 016-HUD-031. Amendment No. 1 reallocates \$11,052.80 from Task 1 and Task 3 to Task 4 and Task 5. Commissioner Rester seconded and the motion was unanimously approved, with Commissioner Roberts voting in the affirmative.

Commissioner Knesal returned.

Commissioner Rester moved to approve Change Order No. 2 with J.E. Borries under Contract No. 016-HUD-032. Change Order No. 2 increases costs by \$10,270.00 with no change in schedule. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Change Order No. 13 with L&A Contracting under Contract No. 013-HUD-018. Change Order No. 13 increases costs by \$112,211.72 with no change in schedule. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Modification No. 4 to Task Assignment No. 1 with BMA, Inc. under Contract No. 13-EN-02. Modification No. 4 adds \$100,000.00 to the contract. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Change Order No. 2 with Doleac Electric Company under Contract No. 15-EN-08. Change Order No. 2 adds \$109,721.80 to the contract. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Change Order No. 2 with G.A. West & Company under Contract No. 15-EN-03. Change Order No. 2 adds \$101,482.80 to the contract. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to award the West Pier Berth 7 area dredging project to Matthews Marine, Inc. They were the only bidder with the bid amount at \$2,338,932.60. Commissioner Norris seconded and the motion was unanimously approved.

NEW BUSINESS:

Commissioner Rester moved to approve Task Order No. 22 with Anchor QEA under Contract No. 010-HUD-011. Task Order No. 22 has duration of 365 calendar days and a not to exceed amount of \$767,000.00. Commissioner Knesal seconded and the motion was unanimously approved.

PORT RESTORATION UPDATE:

We are approaching the conclusion of Project 302 (Phase 1 Sitework and Utilities) with Necaise Brothers. The contractor is primarily working on asphalt paving.

The Ground Storage Tank project with Wharton Smith continues on track. All deep foundations are completed; slabs for both the elevated platform and the ground storage tank have been poured and the contractor is working on the vertical columns.

We will submit the closeout very soon on the small craft harbor piers with J.E. Borries as the contractor.

On Phase 2 Sitework and Utilities, Necaise Brothers is on schedule, however, changes to accommodate the new tenant are anticipated and design on those changes is underway.

The Dole M&R is substantially complete and we continue to go through the punch list with Dan Hensarling.

We issued a notice to proceed to contractor J.O. Collins for the truck scales and they have already demolished the outbound lane.

OPERATIONS REPORT:

Matthew Wypyski reported on the maritime activity for June:

Vessels	13		Truck Count	7,074
Tugs	21		Railcar Count	607
Barges	91		TEU's	11,760
Vehicles	4,597		Tonnage (short tons)	158,225

The three new gantry cranes have been fully tested, certified and are ready to use.

Chiquita will be returning to the Port of Gulfport and their first vessel will be here in less than three weeks. Chiquita made it very clear that one of the main decisions in returning to Gulfport was the acquisition of the new cranes.

EXECUTIVE DIRECTOR'S COMMENTS:

Director Daniels welcomed DeeDee Wood, MSPA's newly hired Chief Financial Officer. The transition has been flawless.

Director Daniels spoke of the success of our annual audits with regard to sponsorships and donations and how the process was approved by legal counsel.

GENERAL COUNSEL'S COMMENTS:

David Duhe had no comments.

MDA'S COMMENTS:

Daron Wilson had no comments.

COMMISSIONER COMMENTS:

Commissioner Knesal disagreed with public comments made earlier and believes port staff and Commissioners demonstrate good corporate citizenship.

Commissioner Roberts addressed comments made earlier regarding the change in the mission statement. The current mission statement was discussed in a workshop setting in great detail by staff and Commissioners and mutually agreed upon, although no motion may have been made.

Commissioner Rester moved to close the meeting to discuss the need for an Executive Session. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Rester moved to enter Executive Session to discuss two legal matters (a lease negotiation and litigation). Commissioner Knesal seconded and the motion was unanimously approved.

(THE BOARD OF COMMISSIONERS ENTERED INTO EXECUTIVE SESSION AT APPROXIMATELY 9:55 A.M.)

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

Commissioner Roberts stated that no action took place during Executive Session

Commissioner Rester moved to amend the agenda to include an Island View Amendment. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Simpson entered via telephone:

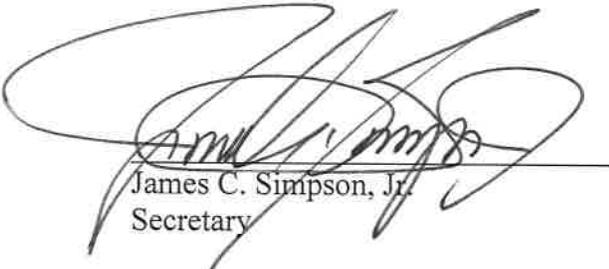
Commissioner Rester moved to approve Amendment No. 2 to the Amended and Restated Lease with Gulfside Casino Partnership, as accepted by Gulfside Casino Partnership. Commissioner Norris seconded and the motion was unanimously approved.

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

The meeting adjourned at approximately 10:50 a.m.

Approved and Attested


E.J. Roberts
President


James C. Simpson, Jr.
Secretary