

MISSISSIPPI PORT AUTHORITY

BOARD OF COMMISSIONERS

REGULAR MEETING

September 22, 2016

Minutes of the Mississippi State Port Authority Board of Commissioners Meeting,
Thursday, September 22, 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
Jack Norris, Commissioner

Staff: Jonathan Daniels, Executive Director/CEO
Matthew Wypyski, Chief Operating Officer
John Webb, Director of Engineering
Kim Purchner, Executive Asst./HRO
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 Director of Operations

Brant Pettis, Legal Counsel

Others: Duane Wilson, Chemours
Philip Carter, MDA
Randall Love, T.L. Wallace
Kym Davis, YAJV
Richie Ashley, Neel-Schaffer
Robert Boone, RLB, LLC
Michael Sheely, CH2MHill
Violetta Cisotto, Digital Engineering
Bob Burns, CH2MHill
Cindy Lamb, Pickering
Brian Smith, Watkins & Eager
Howard Page, Steps Coalition
Lillian Jenkins, Horne LLP
Todd Bradford, YAJV
Truck Casey, City of Gulfport
John Coughlin, YAJV
Darius Johnson, ILA
Don Collins, Dan Hensarling
Elizabeth Calvit, CH2HMill
Steve Twedt, Neel Schaffer
Casey McConnell, YAJV
Maurice Manuel, YAJV
Donna Brignac, Hilton Garden Inn
Amber Armstrong, Hilton Garden Inn
Cindy Lamb, Pickering Firm

Grace Kelly, Ace Contractors, Inc.
Jim Clayton, Page & Jones

Commissioner Roberts noted the presence of a quorum and called the meeting to order at approximately 8:30 a.m.

Commissioner Roberts reported that item 8E under Old Business was removed from the agenda (Thompson Engineering Amendment No. 6 to Task Order No. 14).

The Pledge of Allegiance was led by Commissioner Roberts.

The invocation was led by Pastor Chris O'Brian, Seaman's Center.

PUBLIC COMMENTS:

Howard Page, Steps Coalition asked for an update on the projection of jobs for the community and questioned public access on the west side for fishing.

Grace Kelly, ACE Contractors, wanted to make the Commissioners aware of lack of payment from SIC. ACE Contractors is a subcontractor to SIC and SIC is severely behind on payment to them. Ms. Kelly asked if MSPA could do anything to assist the subcontract in getting paid.

Commissioner Simpson moved to approve the August 25th, September 1st and September 13th Minutes. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve travel (Sept. 8-9/Daniels to Houston, TX; Sept. 29-30/Daniels & Wypyski to Ft. Lauderdale, FL; Oct. 5-7/Daniels to Lake Charles, LA). Commissioner Simpson seconded and the motion was unanimously approved.

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

DISBURSEMENTS THROUGH SEPTEMBER 9, 2016
BILLS FOR THE MONTHS OF AUGUST AND SEPTEMBER 2016 APPROVED AND PAID
FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

| CHK# | VENDOR | DESCRIPTION | CHK AMT |
|-------|---------------------------------|------------------------------------|-----------|
| 51296 | Alexander, Van Loon, Sloan | FY 2016 Financial Audit Services | 25,000.00 |
| 51297 | Anytime Portables, LLC | Portable Restroom Services | 770.00 |
| 51298 | Neopost | Postage Machine Maintenance | 179.00 |
| 51299 | AT&T | Telephone Services | 1,760.75 |
| 51300 | City of Gulfport | Water | 769.56 |
| 51301 | Jonathan Daniels | Travel Expenses | 254.58 |
| 51302 | DSLbyAir, LLC | Radio Equipment | 1,357.16 |
| 51303 | Emerald TC, LLC | Computer Services | 185.00 |
| 51304 | Federal Express Corp. | Express Mail Services | 183.30 |
| 51305 | Fuelman | Fuel for MSPA Vehicles | 361.76 |
| 51306 | The Global Event Team, LLC | AAPA Conference Registrations | 9,000.00 |
| 51307 | Grainger, Inc. | Grounds and Maintenance Supplies | 1,965.31 |
| 51308 | Great Southern Club | Monthly Dues and Business Expenses | 920.30 |
| 51309 | Gulfport Yacht Club | Business Expenses | 99.33 |
| 51310 | Jerry's Lawn Mower Sales | Grounds Supplies | 119.70 |
| 51311 | Ladner Lawn & Tractor Service | Bush Hog the Inland Port Site | 2,500.00 |
| 51312 | Lowe's Home Center, Inc. | Maintenance Supplies | 66.45 |
| 51313 | MS Dept. of Human Services CRDU | Employee Deductions | 156.00 |

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|---|------------------------------------|---|----------------------|
| 51314 | MS Gulf Coast Chamber of Comm. | Legislative Luncheons | 60.00 |
| 51315 | MS Pub. Employees Credit Union | Employee Deductions | 320.00 |
| 51316 | Neopost | Postage Machine Rental | 140.18 |
| 51317 | Hurricane Electronics | Two Way Radios for Crane M&R Team | 837.02 |
| 51318 | Ports America, Inc. | Draying Crowley & Dole Containers | 21,777.14 |
| 51319 | Professional Auto Collision Center | Replace Windshield/Weed Eating Accident | 267.20 |
| 51320 | Radiator Service Company, Inc | Re-core Radiator in MHC 42 | 7,883.15 |
| 51321 | Rose Office Systems, Inc. | Construction Trailer Rentals | 3,031.00 |
| 51322 | Norma Jean Soroe | Transcription Fees | 514.48 |
| 51323 | Specialty Hose & Fabrication | Parts for Cranes | 291.37 |
| 51324 | Stuart C. Irby Co. | Replacement Lamps for High Mast Lights | 940.26 |
| 51325 | Swetman Security Services, Inc. | Security Guard Services | 23,435.06 |
| 51326 | Waste Management | Waste Removal Services | 501.80 |
| 51327 | Wright National Flood Ins. | FY17 Flood Insurance | 12,696.00 |
| 51328 | WXXV TV | August Web Camera Lease | 1,200.00 |
| 51329 | Matthew Wypyski | Business Expense | 70.24 |
| 51330 | AWC, Inc. | Keys for Crane Security | 113.91 |
| 51331 | CDW Government | Adobe Software Renewal | 1,578.96 |
| 51332 | Cintas Corporation #240 | Employee Uniforms | 3,642.59 |
| 51333 | Eagle Energy, Inc. | Hydraulic Fluid | 664.15 |
| 51334 | Ferguson Enterprises, Inc. | Maintenance Supplies | 98.97 |
| 51335 | Gleem Paint Center | Traffic Zone Marking Paint | 764.60 |
| 51336 | Grainger, Inc. | Maintenance Supplies | 1,004.99 |
| 51337 | Gulf Coast Business Supply, Inc. | Toner Cartridges and Flags | 1,009.24 |
| 51338 | Newell Paper Co. | Janitorial and Office Supplies | 1,362.55 |
| 51339 | Lowe's Home Center, Inc. | Tools for Crane Department | 74.03 |
| 51340 | Security Blanket, Inc. | Install Phones in Operations Building | 350.00 |
| 51341 | Sorg Printing, LLC | Business Cards | 50.00 |
| 51342 | Southern Printing & Silkscreen | Logo's & Names for Uniforms & Hats | 2,055.00 |
| 51343 | Specialty Hose & Fabrication | Parts to Repair Hydraulic Spreader | 44.36 |
| CHECK DATED 8/30/16 AND RELEASED PRIOR TO SCHEDULED CHECK RUN | | | |
| 51294 | Monster Subs & Sandwiches, Inc. | Working Luncheon for Staff | 84.21 |
| CHECK DATED 9/1/16 AND RELEASED PRIOR TO SCHEDULED CHECK RUN | | | |
| 51295 | Sam's Wholesale | Port Appreciation Day Supplies | 520.00 |
| WIRE DATED 9/8/16 AND RELEASED PRIOR TO SCHEDULED CHECK RUN | | | |
| 0908161252 | CSLL Logistics, Inc. | Handling Fee for Crane Spare Parts | 205.00 |
| TRANSFERS | | | |
| 9/2/16 | Deferred Compensation | Employee Deductions | 1,270.00 |
| 9/2/16 | Federal Tax Deposit | Payroll Tax Deposit | 25,390.79 |
| 9/8/16 | Public Employment Retirement | Retirement Match and Withheld | 50,129.16 |
| Total | | | <u>\$ 210,025.61</u> |

FINAL CHECKLIST FOR SEPTEMBER 22, 2016

BILLS FOR THE MONTHS OF SEPTEMBER AND OCTOBER 2016 APPROVED AND PAID
FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

| CHK# | VENDOR | DESCRIPTION | CHK AMT |
|-------|-----------------------------|---|-----------|
| 51347 | Kentwood Springs | Drinking Water and Sqwinchers | 443.56 |
| 51348 | AFLAC | Employee Deductions | 1,490.71 |
| 51349 | AirGas Gulf States | Oxygen Cylinder Rentals | 39.97 |
| 51350 | Battery Sales & Service | Batteries for Fire Pumps Shed 50 and 53 | 639.80 |
| 51352 | City of Gulfport | Water | 14,174.36 |
| 51353 | Sun Coast Business Supply | Digital Recorder for Board Meetings | 85.50 |
| 51354 | C Spire Wireless | Radio/Cell Phone Services | 1,401.86 |
| 51355 | State School Insurance Fund | Employee Deductions | 13,937.94 |

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|--|------------------------------------|--|---------------|
| 51357 | Eagle Energy, Inc. | Fillrite Pump for Cranes | 399.00 |
| 51358 | Federal Express Corp. | Express Mail Services | 16.78 |
| 51359 | Fuelman | Fuel for MSPA Vehicles | 239.20 |
| 51360 | Guardian | Employee Dental Deductions | 1,238.23 |
| 51361 | Gulf Coast Business Supply, Inc. | Toner Cartridges | 336.08 |
| 51362 | Gulfport Main St. Association | Sponsorship for the Cruise/Anchor Fest | 2,500.00 |
| 51363 | Hancock Bank | October Lease for Suites 880 and 1450 | 19,705.53 |
| 51364 | Robert J. Knesal | Per Diem | 80.00 |
| 51365 | Lowe's Home Center, Inc. | Maintenance Supplies | 44.68 |
| 51366 | MS Dept. of Human Services CRDU | Employee Deductions | 156.00 |
| 51367 | MS Power Company | Electricity | 69,844.06 |
| 51368 | MS Pub. Employees Credit Union | Employee Deductions | 320.00 |
| 51369 | MSPA Petty Cash Fund | Replenish Petty Cash | 131.34 |
| 51370 | Jack Norris | Per Diem | 40.00 |
| 51371 | Ports America, Inc. | Draying Dole and Crowley Containers | 25,523.73 |
| 51372 | Legal Shield | Employee Deductions | 46.86 |
| 51374 | Ray Weaver | Repair A/C in Operations Building | 184.00 |
| 51375 | RJ Young Company, Inc. | Copier Maintenance Agreements | 1,171.00 |
| 51376 | Eluse J. Roberts | Per Diem | 80.00 |
| 51377 | Sage Software, Inc. | Software Renewal | 1,186.73 |
| 51378 | Security Blanket, Inc. | Service Call to Repair Phone System | 317.50 |
| 51379 | James C. Simpson, Jr. | Per Diem | 120.00 |
| 51380 | Stewart Sneed Hewes, Inc. | Flood Insurance on Transit Shed | 32,486.00 |
| 51381 | The Sun Herald | Advertising | 158.10 |
| 51382 | Swetman Security Services, Inc. | Security Guard Services | 23,574.43 |
| 51383 | United Way of South MS, Inc. | Employee Deductions | 236.00 |
| 51384 | Vision Service Plan | Employee Deductions | 251.52 |
| 51385 | WalMart Community | Hurricane Supplies for Inland Port Facility | 476.79 |
| 51386 | Waterways Journal, Inc. | Subscription | 70.00 |
| CHECK DATED 9/12/16 AND RELEASED PRIOR TO THE MEETING | | | |
| 51344 | Jonathan Daniels | Travel Expenses | 106.89 |
| CHECKS DATED 9/16/16 AND RELEASED PRIOR TO THE MEETING | | | |
| 51345 | Card Services | Travel Expenses | 363.20 |
| 51346 | Card Services | Advertising | 95.92 |
| TRANSFERS | | | |
| 9/15/16 | Department of Revenue | August Sales Tax Payment | 8,687.81 |
| 9/16/16 | Deferred Compensation | Employee Deductions | 1,270.00 |
| 9/16/16 | Federal Tax Deposit | Payroll Tax Deposit | 24,741.32 |
| Total | | | \$ 248,412.40 |

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: Alliance Supply Management, LTD; Henry Marine Service, Inc.

Steamship Agent: Christian Bay Shipping d/b/a Fillette, Green Shipping Services; Wilhelmsen Ship Service

Tug Boat Co.: Matthews Brothers, Inc.

NEW LICENSES:

Vendor: Vulcan Materials

Commissioner Knesal moved to approve the following progress payments: Balch & Bingham (\$49,685.99); BMA (\$102,795.35); Doleac Electric Co. (\$818,601.65); G.A. West & Company (\$340,686.00); QES (\$1,603.00); W.C. Fore Trucking, Inc. (\$166,484.65); and YAJV (\$239,466.66). Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Cash Request #145 – CH2MHill (\$1,532.21) and QES (\$2,726.07) for a total of \$4,258.28. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Cash Request #146 – Dan Hensarling, Inc. (\$83,606.36) and RFB, LLC (\$3,102.50) for a total of \$86,708.86. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Cash Request #147 – Southern Industrial Construction (\$2,158,790.28). Commissioner Simpson seconded and the motion was unanimously approved.

OLD BUSINESS:

Commissioner Knesal moved to approve Amendment No. 3 to Task Order No. 36 with Neel Schaffer, Inc. under Contract No. 010-HUD-001. Amendment No. 3 de-obligates \$21,781.11 and all work under the task order has been completed. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Amendment No. 5 under Contract No. 010-HUD-011 with Anchor QEA, LLC. Amendment No. 5 increases costs by \$150,000 with no change in schedule. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Amendment No. 1 to Task Order No. 8 with Michael Baker, Jr. under Contract No. 010-HUD-010. Amendment No. 1 adds 90 days and increases costs by \$12,000.00. Commissioner Simpson seconded and the motion passed with the Commissioners voting as follows:

| | |
|----------------------|-------------|
| Commissioner Norris | Affirmative |
| Commissioner Simpson | Affirmative |
| Commissioner Knesal | Negative |
| Commissioner Roberts | Affirmative |

Commissioner Simpson moved to approve Amendment No. 7 to Task Order No. 12 with Thompson Engineering under Contract No. 010-HUD-002. Amendment No. 7 de-obligates \$10,946.54 and all work under the task order is complete. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Change Order No. 2 with Necaize Brothers under Contract No. 016-HUD-033. Change Order No. 2 increases costs by \$93,000.00 with no change in schedule. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Change Order No. 14 with L&A Contracting under Contract No. 013-HUD-018. Change Order No. 14 adds 27 days to the contract with no change in cost. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Change Order No. 11 with Necaise Brothers under Contract No. 015-HUD-026. Change Order No. 11 increases costs by \$62,692.15 and adds 33 days to the contract. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Change Order No. 5 with Dan Hensarling, Inc. under Contract No. 015-HUD-029. Change Order No. 5 decreases costs by \$28,169.47 and adds 150 days to the contract. Commissioner Norris seconded and the motion was unanimously approved.

NEW BUSINESS:

Commissioner Simpson moved to authorize Jonathan Daniels as the MSPA Delegate at the AAPA 2016 Annual Convention in October. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Task Order No. 44 with Neel Schaffer under Contract No. 010-HUD-001. Task Order No. 44 has duration of 120 days and a not to exceed amount of \$175,496.00. Commissioner Simpson seconded and the motion passed with the Commissioners voting as follows:

| | |
|----------------------|-------------|
| Commissioner Knesal | Affirmative |
| Commissioner Norris | Affirmative |
| Commissioner Simpson | Negative |
| Commissioner Roberts | Affirmative |

Commissioner Knesal moved to approve Task Order No. 45 with Neel Schaffer under Contract No. 010-HUD-001. Task Order No. 45 has duration of 120 days and a not to exceed amount of \$50,389.00. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Task Order No. 24 with Thompson Engineering under Contract No. 010-HUD-002. Task Order No. 24 has duration of 120 days and a not to exceed amount of \$9,283.40. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Task Order No. 24 with Anchor QEA under Contract No. 010-HUD-011. Task Order No. 24 has duration of 210 calendar days and a not to exceed amount of \$150,000.00. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Knesal recused himself and left the room for the discussion and vote for the item below:

Commissioner Simpson moved to approve Task Order No. 4 with Eley Guild Hardy Architects under Contract No. 016-HUD-031. Task Order No. 4 has duration of 150 days and a not to exceed amount of \$58,207.00. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal returned to the meeting.

Commissioner Simpson moved to authorize an advertisement for bid for the Barge Mooring Facility package. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to authorize an advertisement for bid for the North Harbor-West Paving and Electrical Improvements package. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to authorize an advertisement for bid for the Terminal 1 M&R and gate package. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to authorize an advertisement for bid for the Small Craft Harbor Landside Improvements package. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Simpson moved to authorize staff to evaluate the disposal of one Gottwald crane. Commissioner Norris seconded and the motion was unanimously approved.

PORT RESTORATION UPDATE:

Phase 1 Sitework and Utilities with Necaise Brothers is going well. They are completing undercut and backfill on the pond remediation area south of the transit shed; completed storm drain on the east side of the transit shed.

The Ground Storage Tank project with Wharton Smith continues with shotcrete work and the deck pour and they are on line with the schedule.

The small craft harbor piers with J.E. Borries as the contractor is in the close-out phase.

On Phase 2 Sitework and Utilities, Necaise Brothers continues to pour concrete on the cross dock and the structural components should start within the next three weeks on that cross dock.

Dan Hensarling had the final closeout (deductive change order) on today's agenda for Terminal 3 M&R.

The transit shed project with SIC has been in in-depth discussions regarding their contract.

L&A is substantially complete with the wharf upgrades and we are working on the close-out.

All auger cast piles have been installed by Dan Hensarling on Terminal 2 M&R and they are working on the pile caps now.

J.O. Collins is 50% complete with the truck scales project and electrical is ongoing. They also have the Early Start Foundation package with the Marine Research Center and are moving right along on that project.

OPERATIONS REPORT:

Matthew Wypyski reported on the maritime activity for August:

| | | | | |
|----------|-------|--|----------------------|---------|
| Vessels | 22 | | Truck Count | 9,646 |
| Tugs | 53 | | Railcar Count | 590 |
| Barges | 71 | | TEU's | 16,239 |
| Vehicles | 6,162 | | Tonnage (short tons) | 203,720 |
| | | | | |

Chiquita operation is going very well and everyone involved in their return has expressed their enthusiasm.

There has been a large amount of refrigerated cargo being exported with approximately 100 reefers containing poultry and beef.

EXECUTIVE DIRECTOR'S COMMENTS:

Director Daniels also addressed the return of Chiquita and especially wanted to thank the truckers. Port staff showed their appreciation by handing out hot dogs and soft drinks to each and every trucker that came through the gate last Friday. Also included in this appreciation were the ILA workers for the outstanding job that they continue to do.

The Corps of Engineers has notified us that we have \$9 million set aside in the budget for dredging.

Tuesday morning at 10:00 a.m. we will hold a celebration for Chiquita at Jones Park. The Governor will be in attendance, as well as the President and CEO of Chiquita, Andrew Biles. The public is invited to participate in this welcome celebration.

GENERAL COUNSEL'S COMMENTS:

Brant Pettis had no comments.

MDA'S COMMENTS:

Philip Carter had no comments.

COMMISSIONER COMMENTS:

Commissioner Norris noted that four advertisements for bid were approved at today's meeting and there continues to be a great deal of activity ongoing at the port. Also, our Congressional delegation is doing a fantastic job working with funds for dredging and also on the WRDA bill.

Commissioner Knesal expressed his discontent with the "bubble curtain" line item and wondered how much it will cost the port.

Commissioner Simpson wanted to echo Director Daniels and thanked Dan Johnson and his ILA group for the exceptional work that they continue to do.

Commissioner Roberts expressed how refreshing it feels to have Chiquita back home with the MSPA.

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

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

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

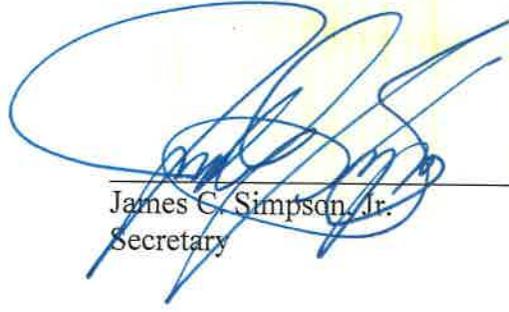
Commissioner Simpson moved to adjourn. Commissioner Knesal seconded and the motion was unanimously approved.

The meeting adjourned at approximately 10:15 a.m.

Approved and Attested



E.J. Roberts
President



James C. Simpson, Jr.
Secretary