

# MISSISSIPPI PORT AUTHORITY

## BOARD OF COMMISSIONERS

### REGULAR MEETING

**October 28, 2016**

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Minutes of the Mississippi State Port Authority Board of Commissioners Meeting,  
Friday, October 28, 2016, 2510 14<sup>th</sup> 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  
Mel Arsenault, Director of External Affairs  
Dale Waltman, Director of Operations  
Nick Foto, Deputy Program Manager  
Kim Aguillard, Media & Marketing Manager  
Shawn Meyer, Deputy Director of Operations  
Chuck Graham, Crane Manager  
Gary Pitcovich, Asst. Crane Manager

Ben Stone, Legal Counsel  
Brant Pettis, Legal Counsel  
David Duhe, Legal Counsel

Others: Duane Wilson, Chemours  
Philip Carter, MDA  
Randall Love, T.L. Wallace  
Richie Ashley, Neel-Schaffer  
Robert Boone, RLB, LLC  
Michael Sheely, CH2MHill  
Brian Smith, Watkins & Eager  
Howard Page, Steps Coalition  
Cindy Lamb, Pickering  
Todd Bradford, YAJV  
John Coughlin, YAJV  
Elizabeth Calvit, CH2HMill  
Casey McConnell, YAJV  
Maurice Manuel, YAJV  
Grace Kelly, Ace Contractors, Inc.  
Jim Clayton, Page & Jones  
Rusty Hilton, MS State Pilots  
Jerry Levens, AVL CPA Firm  
Deborah Aikens, AVL CPA Firm  
Chris Williams, BMA

Marcia Crawford, HCDC  
 Todd Stockberger, CH2MHill  
 Tom Wells, Waldemar S. Nelson & Co.  
 Damon Torricelli, Neel Schaffer, Inc.  
 Greg Schruoff, SSA Marine  
 Glenn Cobb, Pathways to the Port  
 Mark Schloegel, SSH

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 Pastor Chris O'Brian, Seaman's Center.

PUBLIC COMMENTS:

Grace Kelly, ACE Contractors, wanted to make the Commissioners aware of their concern regarding the termination of Southern Industrial Contractors and how it would affect the sub-contractors.

Rusty Hilton, MS State Pilots, requested a meeting with the Pilot Board.

Pastor Chris O'Brien invited everyone to the annual Seaman's Center Christmas luncheon on December 9th at the Great Southern Club.

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The FY16 Audit Presentation was given by Jerry Levens of the Alexander, Van Loon, Levens & Favre CPA Firm.

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Commissioner Simpson moved to approve the September 22<sup>nd</sup> and 29<sup>th</sup> Minutes. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve travel (Oct. 19-21/Wypyski to Jackson, MS; Oct. 25-26/Bell to Jackson, MS; Nov. 1-2/Daniels to Jackson, MS). Commissioner Simpson seconded and the motion was unanimously approved.

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

DISBURSEMENTS THROUGH OCTOBER 11, 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
51393	ABC Rental, Inc.	Rental Items for Chiquita Celebration	1,039.50
51394	AirGas Gulf States	Oxygen Cylinder Rental	34.50
51395	Barefield Workplace Solutions, Inc.	Office Supplies	100.86
51396	AT&T	Telephone Services	1,737.99
51397	AT&T	Relocate Crowley Phone Services	3,346.63
51398	Carlos Bell	Reimburse for NAACP Dues	75.00
51399	Blue Skies Gallery	Frame/Matte Items for Chiquita Celebration	344.64
51400	Chancellor, Inc.	LED Lamps for Sheds 50 and 53	2,352.00
51401	City of Gulfport	Water	4,263.76
51402	Sun Coast Business Supply	Office Supplies and Toner Cartridges	959.22
51403	Climate Control, Inc.	Service Call to Diagnose A/C in Ops. Bldg.	85.00

51404	Eagle Energy, Inc.	Diesel	3,793.10
51405	Emerald TC, LLC	Computer Services	138.75
51406	Fallon's Gourmet	Refreshments for Chiquita Event	84.85
51407	Federal Express Corp.	Express Mail Services	359.25
51408	Fuelman	Fuel for MSPA Vehicles	335.06
51409	Grainger, Inc.	Small Tools for Crane Department	209.44
51410	Great Southern Club	Monthly Dues and Business Expenses	825.22
51411	Gulf Coast Business Supply, Inc.	Office Supplies and Toner Cartridges	1,247.30
51413	Logista	Computer Equipment	1,986.00
51414	Jackson County Chamber of Comm.	Annual Membership	155.00
51415	Jerry's Lawn Mower Sales	Repair Parts for Welder & Pressure Washer	37.35
51416	Lamar Companies	Billboard Advertisements	1,000.00
51417	MS Dept. of Human Services	Employee Deductions	156.00
51418	MS Gulf Coast Chamber of Comm.	Military Affairs Breakfast	20.00
51419	MS Pub. Employees Credit Union	Employee Deductions	320.00
51420	Hurricane Electronics	Radios for Crane Department	759.76
51421	Ports America, Inc.	Draying Crowley Containers	3,386.02
51422	Redd Pest Solutions	Pest Control Services	271.00
51423	Rose Office Systems, Inc.	Construction Trailer Rentals	6,062.00
51424	Norma Jean Soroe	Transcription Fees	474.48
51425	Southern Printing & Silkscreen	Banners for Chiquita Celebration	192.00
51426	Specialty Hose & Fabrication	Replacement Parts for Cranes	516.16
51427	The Sun Herald	Advertising	2,153.20
51428	Swetman Security Services, Inc.	Security Guard Services	23,435.06
51429	The Focus Group	Logo Redesign and Chiquita Celebration	3,150.02
51430	Waste Management	Waste Removal Services	703.20
51431	The Whit Group, LLC	Quarterly Web Hosting	120.00
51432	WXXV TV	September Web Camera Lease	1,200.00
CHECKS DATED 10/4/16 AND RELEASED PRIOR TO SCHEDULED CHECK RUN			
51389	Kim Aguiard	Travel and Public Relations Expenses	961.10
51390	Jonathan Daniels	Business and Travel Expenses	428.53
51391	MS State Tax Commission	Employee Deductions	11,114.00
51392	Matthew Wypyski	Travel Expenses	851.74
TRANSFERS			
09/30/16	Federal Tax Deposit	Payroll Tax Deposit	25,419.77
10/07/16	Public Employment Retirement	Retirement Match and Withheld	76,086.09
Total			\$182,290.55

FINAL CHECKLIST FOR OCTOBER 28, 2016

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

CK#	VENDOR	DESCRIPTION	CHK AMT
51451	Kentwood Springs	Drinking Water	197.72
51452	AFLAC	Employee Deductions	1,490.71
51453	AIG	FY16 Additional Workers Compensation	3,842.00
51454	Barefield Workplace Solutions, Inc.	Office Supplies	116.52
51455	Battery Sales & Service	Battery for Unit # 19	64.76
51457	State School Insurance Fund	Employee Deductions	13,937.94
51459	Eagle Energy, Inc.	Grease for the Cranes	95.20
51460	East Beach Specialties, Inc.	Promotional Items	1,099.00
51461	Express Services, Inc.	Temporary Labor	414.96
51462	Federal Express Corp.	Express Mail Services	667.76
51463	Ferguson Enterprises, Inc.	Ships Water Meters	1,648.71

51464	Heather Fountain	Reimbursement for Mileage	26.78
51465	Fuelman	Fuel for MSPA Vehicles	554.47
51466	Grainger, Inc.	Maintenance Supplies	468.88
51467	Guardian	Employee Dental Deductions	1,179.37
51468	Gulf Hydraulics & Pneumatics	Repair Parts for Dock Levelers for Shed 53	297.08
51469	Gulf Coast Community Foundation	Sponsorship for Pathways 2 Possibilities	500.00
51470	Hancock Bank	November Lease for Suites 880 and 1450	19,705.53
51471	Hilton Jackson	BOC and Staff Retreat	4,521.66
51472	Kalmar USA, Inc.	Repair Parts for Spreader	314.91
51473	Robert J. Knesal	Per Diem	160.00
51474	Lowe's Home Center, Inc.	Tools and Supplies for Crane Department	2,382.08
51475	Shawn Meyer	Travel Expenses	126.65
51476	MS Dept. of Human Services	Employee Deductions	156.00
51477	MS Gulf Coast Chamber of Comm.	One Coast Awards Member Fee	35.00
51478	MS Pub. Employees Credit Union	Employee Deductions	320.00
51479	MSPA Petty Cash Fund	Replenish Petty Cash	65.70
51480	Naylor, LLC	Advertising	2,579.50
51481	Jack Norris	Per Diem	200.00
51482	Gary Pitcovich	iPhone Case Protector	39.99
51483	Ports America, Inc.	Draying Dole Containers	7,628.27
51484	PRAM	Fall Workshop Registration	140.00
51485	Praise Temple Full Gospel Church	Sponsorship for Community Empowerment	500.00
51486	Legal Shield	Employee Deductions	46.86
51489	Redd Pest Solutions	Pest Control Services	271.00
51490	RJ Young Company, Inc.	Copier Maintenance Agreements	1,171.00
51491	Eluse J. Roberts	Per Diem and Travel Expenses	909.48
51492	James C. Simpson, Jr.	Per Diem	160.00
51493	Stewart Sneed Hewes, Inc.	FY17 Insurance	513,819.69
51494	Sun Herald	Subscription	291.20
51495	The Sun Herald	Advertising	180.54
51496	Swetman Security Services, Inc.	Security Guard Services	23,435.06
51497	United Way of South MS, Inc.	Employee Deductions	236.00
51498	Vision Service Plan	Employee Deductions	251.52
51499	WalMart Community	Bose Bluetooth Speaker	99.88
51500	Waste Management	Waste Removal Services	195.00
CHECKS DATED 10/12/16 AND RELEASED PRIOR TO THE MEETING			
51433	Jonathan Daniels	Travel Expenses	531.62
51436	SIC & S&S Sprinkler Co.	Transit Shed 014-HUD-025	17,619.50
51437	SIC & Weaver	Transit Shed 014-HUD-025	206,664.46
CHECKS DATED 10/14/16 AND RELEASED PRIOR TO THE MEETING			
51438	SIC & ACE & Simplex	Transit Shed 014-HUD-025	3,161.72
51439	SIC & ACE & Bonded Lightning	Transit Shed 014-HUD-025	20,282.76
51440	SIC & ACE & Robinson Electric	Transit Shed 014-HUD-025	84,954.38
51441	SIC & ACE & Mayer Electric	Transit Shed 014-HUD-025	330,541.59
51442	SIC & ACE	Transit Shed 014-HUD-025	20,311.44
51443	SIC & ADS & Bayou Concrete	Transit Shed 014-HUD-025	124,602.13
CHECKS DATED 10/21/16 AND RELEASED PRIOR TO THE MEETING			
51444	Card Services	Travel Expenses	433.20
51445	Card Services	Travel Expenses	1,948.03
51446	Card Services	HP Printer	228.53
51447	City of Gulfport	Water	12,560.40
51448	C Spire Wireless	Radio/Cell Phone Services	1,393.71
51449	MS Power Company	Electricity	87,107.48
51450	Angela Shortt	Reimbursement for TWIC Card	125.25
TRANSFERS			

10/12/16	Deferred Compensation	Employee Deductions	1,270.00
10/14/16	Federal Tax Deposit	Payroll Tax Deposit	24,915.37
10/17/16	Department of Revenue	September Sales Tax Payment	10,255.75
Total			<u>\$1,555,451.70</u>

Commissioner Knesal 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: Mike's Wholesale Tire

Apprentice: Jason T. Gibson

NEW LICENSES:

Steamship Agent: Seagull Marine, Inc.

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Commissioner Simpson moved to approve the following progress payments: Balch & Bingham (\$67,587.66); BMA (\$58,489.00); Doleac Electric Co. (\$133,605.22); G.A. West & Company (\$241,301.71); Prism Systems, Inc. (\$4,415.00); QES (\$2,637.50); W.C. Fore Trucking, Inc. (\$190,373.56); and YAJV (\$146,387.42). Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Cash Request #147 (new) – Anchor QEA (\$186,769.19); Atkins (\$37,040.33); Atwell & Gent (\$87,298.62); CH2MHill (\$263,313.22); Dan Hensarling (\$477,937.40); J.O. Collins (\$43,694.58); L&A Construction (\$1,954,452.70); Michael Baker, Jr. (\$11,557.71); RFB, Inc. (\$3,952.50); QES (\$38,482.07); Volkert (\$3,845.14); Wharton Smith (\$450,775.00); and YAJV (\$233,865.00), subtotalling \$3,792,983.46. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Cash Request #148 – CH2MHill for \$2,873.01. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Cash Request #149 – ZPMC for \$4,638,446.49. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Cash Request #150 – Necaise Brothers for \$1,491,082.21. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Cash Request #151 – MSPA (\$96,529.34); and Neel Schaffer (\$245,557.30) for a total of \$342,086.64. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to authorize the renumbering of the original RFC #147, previously approved on September 22, 2016, to RFC #152. Commissioner Knesal seconded and the motion was unanimously approved.

A request for payment to Eley Guild Hardy Architects was moved to later in the meeting so that Commissioner Norris could be present for a quorum.

OLD BUSINESS:

Commissioner Knesal moved to approve Amendment No. 5 to Task Order No. 4 with QES, Inc. under Contract No. 010-HUD-003. Amendment No. 5 adds 365 days and de-obligates \$30,000.00. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Amendment No. 2 to Task Order No. 11 with QES, Inc. under Contract No. 010-HUD-003. Amendment No. 2 de-obligates \$45,904.62 and all work has been completed and accepted with this Task Order. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 5 to Task Order No. 6 with Atwell & Gent under Contract No. 010-HUD-013. Amendment No. 5 adds 60 days with no change in costs. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Change Order No. 3 with G.A. West & Co. under Contract No. 15-EN-03. Change Order No. 3 adds \$391,486.99 to the contract with no change in schedule. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 13 with Atkins North America under Contract No. 010-HUD-014. Amendment No. 13 adds 242 days to the contract with no change in costs. Commissioner Knesal seconded and the motion was unanimously approved.

*Commissioner Norris entered the meeting.*

Commissioner Knesal moved to approve Amendment No. 5 to Task Order No. 21 with Neel Schaffer, Inc. under Contract No. 010-HUD-001. Amendment No. 5 adds 55 days with no change in costs. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 3 to Task Order No. 30 with Neel Schaffer, Inc. under Contract No. 010-HUD-001. Amendment No. 3 adds 61 days with no change in costs to prepare for closeout. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 1 to Task Order No. 43 with Neel Schaffer, Inc. under Contract No. 010-HUD-001. Amendment No. 1 adds 60 days to finalize bid documents with no change in costs. Commissioner Norris seconded and the motion was unanimously approved.

The following item was removed from the agenda: Amendment No. 6 to Task Order No. 14 with Thompson Engineering under Contract No. 010-HUD-002.

Commissioner Knesal moved to approve Change Order No. 1 with W.C. Fore Trucking Co. Change Order No. 1 increases costs by \$72,706.75 with no change in schedule. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Change Order No. 3 with Doleac Electric. Change Order No. 3 increases costs by \$142,792.06 with no change in schedule. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to award the Berth 7 Fender Replacement Project to Walters Diving & Marine. A total of six bids were received and Walters Diving & Marine was the lowest and best bidder at \$819,000.00. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Change Order No. 3 with Necaise Brothers under Contract No. 016-HUD-033. Change Order No. 3 increases costs by \$220,000.00

and adds 26 days. Commissioner Knesal 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 Amendment No. 1 to Task Order No. 3 with Eley Guild Hardy Architects under Contract No. 016-HUD-031. Amendment No. 1 adds 60 days to the contract with no change in costs. Commissioner Norris seconded and the motion was unanimously approved with President Roberts voting in the affirmative.

Commissioner Simpson moved to approve payment of \$75,420.75 to Eley Guild Hardy under Cash Request #147. The total for RFC #147 is \$3,868,404.21. Commissioner Norris seconded and the motion was unanimously approved with President Roberts voting in the affirmative.

*Commissioner Knesal returned to the meeting.*

Commissioner Simpson moved to approve Modification No. 2 with Ports America under Agreement No. 16-OP-03. Modification No. 2 adds \$250,000.00 with no change in the term. Commissioner Norris seconded and the motion was unanimously approved.

NEW BUSINESS:

Commissioner Knesal moved to approve the FY16 Audit as presented earlier in the meeting by Jerry Levens, CPA. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to authorize the advertisement for the demolition of the Chemours steel silos and appurtenances. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Norris moved to approve an Agreement between the MS State Port Authority and the Kansas City Southern Railway which modifies the existing railroad crossing. MSPA will deposit \$45,000 with KCS and an adjustment to this deposit will be made based on the actual costs. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Task Order No. 46 with Neel Schaffer under Contract No. 010-HUD-001. Task Order No. 46 has duration of 270 days and a not to exceed amount of \$235,122.00. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Task Order No. 47 with Neel Schaffer under Contract No. 010-HUD-001. Task Order No. 47 has duration of 272 days and a not to exceed amount of \$87,120.00. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Task Order No. 48 with Neel Schaffer under Contract No. 010-HUD-001. Task Order No. 48 has duration of 365 days and a not to exceed amount of \$201,309.00. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Task Order No. 23 with Thompson Engineering under Contract No. 010-HUD-002. Task Order No. 23 has duration of 272 days and a not to exceed amount of \$6,844.62. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Task Order No. 25 with Thompson Engineering under Contract No. 010-HUD-002. Task Order No. 25 has duration of 270 days and a not to exceed amount of \$19,398.20. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Task Order No. 18 with QES under Contract No. 010-HUD-003. Task Order No. 18 has duration of 270 days and a not to exceed amount of \$104,978.27. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Task Order No. 19 with QES under Contract No. 010-HUD-003. Task Order No. 19 has duration of 272 days and a not to exceed amount of \$21,663.47. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Task Order No. 20 with QES under Contract No. 010-HUD-003. Task Order No. 20 has duration of 365 days and a not to exceed amount of \$35,000.00. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Task Order No. 15 with Atwell & Gent under Contract No. 010-HUD-013. Task Order No. 15 has duration of 270 days and a not to exceed amount of \$145,000.00. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Task Order No. 16 with Atwell & Gent under Contract No. 010-HUD-013. Task Order No. 16 has duration of 272 days and a not to exceed amount of \$26,000.00. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Task Order No. 14 with Volkert, Inc. under Contract No. 010-HUD-013. Task Order No. 14 has duration of 150 days and a not to exceed amount of \$37,929.20. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to authorize the designation of DeeDee Wood (replacing Mary Bourdin) as the MSPA Designated Agent for the purpose of Disaster Relief. This information is filed with the Governor's Authorized Representative and will take effect immediately. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Resolution No. 16-05 authorizing emergency repairs to a water line. Commissioner Knesal seconded and the motion was unanimously approved.

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*Commissioner Simpson left the meeting.*

#### PORT RESTORATION UPDATE:

Phase 1 Sitework and Utilities with Necaise Brothers has completed everything on this project that can be completed at this time. The contractor will return when the site is ready for him to complete the remaining items of work.

Wharton Smith recently completed the skim-coat of the Water Storage Tank and all structural components of the elevated platform have been completed. Pumps and generator have been installed and a run-up test is scheduled for next week.

Necaise Brothers continues to work on the Terminal 3 Cross Dock.

Dan Hensarling is in the final steps of closeout for Terminal 3 M&R.

For the Terminal 2 M&R Project with Dan Hensarling, Electrical, Mechanical and Plumbing sub-contractors are on site and rough-in is ongoing.

J.O. Collins is ahead of schedule on the truck scale project and is slightly ahead on the Early Start Foundation for the Marine Research Facility.

Bids were opened yesterday for the North Harbor West Package and 2 bids were received. Those bids are under review and should be announced at the next Board Meeting.

OPERATIONS REPORT:

Matthew Wypyski reported on the maritime activity for September:

Vessels	19		Commercial Vehicles	5,942
Tugs	50		Railcar Count	690
Barges	54		TEU's	16,000
Other Vehicles	5,942		Tonnage (short tons)	162,000

Dredging began in October with \$2 million of port financing going towards West Pier 2 and West Pier 7 dredging as well as the Small Craft Harbor. The Corps of Engineers has set aside \$9 million to sweep the entire channel and should be complete by mid-January.

Mr. Wypyski met with Rueben Ramos of the Cuban Trade Office regarding how the U.S. can increase trade with Cuba. He is very interested in what we are doing here and wants MSPA officials to come down in February to sign an MOU with Cuba.

EXECUTIVE DIRECTOR'S COMMENTS:

Director Daniels mentioned his appreciation for patience as we move through a large number of items on the agenda. There are many extensions as we close out a number of projects. L&A has recently completed our longest project - a \$58 million reconstruction of the West Pier wharves. Chemours, under John Webb's leadership, has begun testing the movement of product with a vessel scheduled to arrive within the next month.

We plan to go through training to constantly improve and engage in the best business practices and we are proud to receive another clean opinion from our recent audit.

Work has begun on the Marine Research Facility which will be a state of the art facility.

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GENERAL COUNSEL'S COMMENTS:

Ben Stone had no comments.

MDA'S COMMENTS:

Philip Carter had no comments.

COMMISSIONER COMMENTS:

There were no Commissioner comments.

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

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

Commissioner Roberts stated that no action took place during Executive Session.

Commissioner Norris moved to amend the agenda to add Resolution No. 16-06 for discussion. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Resolution No. 16-06 (attached), pertaining to the status of Southern Industrial Contractors, LLC for work related to Project 305, from and after the date of substantial completion provided by the agreement (March 21, 2016) and the date of termination of the agreement (September 13, 2016). Commissioner Knesal seconded and the motion was unanimously approved. Roll call was taken:

Commissioner Norris	Vote: Aye
Commissioner Knesal	Vote: Aye
Commissioner Roberts	Vote: Aye

The Resolution will be spread upon the minutes.

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

The meeting adjourned at approximately 10:45 a.m.

Approved and Attested

  
E.J. Roberts  
President

  
James C. Simpson, Jr.  
Secretary

**RESOLUTION NO. 16-06**

**RESOLUTION 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 status of Agreement No. 015-HUD-025 ("Agreement") for Project No. 305 – West Pier Facilities ("Project 305"), from and after the date of Substantial Completion provided by the Agreement (March 21, 2016) and the date of termination of the Agreement (September 13, 2016). Thereupon, Commissioner Norris 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" OR "MSPA") PERTAINING TO THE STATUS OF SOUTHERN INDUSTRIAL CONTRACTORS, LLC FOR WORK RELATED TO PROJECT 305, FROM AND AFTER THE DATE OF SUBSTANTIAL COMPLETION PROVIDED BY THE AGREEMENT (MARCH 21, 2016) AND THE DATE OF TERMINATION OF THE AGREEMENT (SEPTEMBER 13, 2016).**

**WHEREAS**, On September 13, 2016, the Port Authority terminated Southern Industrial Contractors, LLC ("SIC") for material breach of the Agreement for Project 305. The following day, SIC was given written notice of the termination;

**WHEREAS**, notice of termination was also delivered to Travelers Casualty and Surety Company of America ("Travelers"), wherein the MSPA made demand on the Performance Bond and requested that Travelers take immediate action to complete the remaining Work, and further ensure that the Work and Project site are secured and preserved before and after any demobilization of SIC;

**WHEREAS**, the Agreement required all Work on the Project to be completed by March 21, 2016, and prior to the termination, no Substantial Completion extension of time was agreed upon pursuant to the terms of the Agreement;

**WHEREAS**, notwithstanding the Substantial Completion date of March 21, 2016, the Agreement remained an active contract from and after the date of Substantial Completion through the date of termination;

**WHEREAS**, based upon the terms and conditions of the Agreement, the Port Authority is authorized to make payment to SIC for Work completed on the Project to date including the approved amount for Payment Application No. 15;

**WHEREAS**, any payment of Payment Application No. 15 by the Port Authority to SIC does not serve as any rescission of the termination of SIC nor should it be construed as such. The Port Authority does not waive any of its rights related to SIC's termination or the Port Authority's demand upon Travelers to take action in accordance with the terms and conditions of the Performance Bond, and any covenant or condition, whether express or implied, related thereto is disclaimed by the Port Authority. The Port Authority continues to reserve all rights to

any appropriate legal defenses or claims to which it is also entitled at law, in equity or under the Agreement.

**NOW, THEREFORE BE IT RESOLVED**, that the Port Authority hereby acknowledges, and affirms that the Agreement was active from and after the Substantial Completion date (March 21, 2016) through the date of termination (September 13, 2016) and that the MSPA is authorized per the Agreement to make payment for work performed following the Substantial Completion date.

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

	<u>Voted:</u>
Commissioner E.J. Roberts:	<u>Aye</u>
Commissioner Bobby Knesal:	<u>Aye</u>
Commissioner James C. Simpson, Jr.:	<u>absent</u>
Commissioner John Rester	<u>absent</u>
Commissioner Jack Norris:	<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 28th day of October, 2016.

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 28th day of October, 2016. This Resolution, along with any exhibits thereto, shall be incorporated into and considered as part of the minutes for the Board of Commissioners' meeting in which it is adopted.

  
E.J. ROBERTS, PRESIDENT