

MISSISSIPPI PORT AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING

December 20, 2018

Minutes of the Mississippi State Port Authority Board of Commissioners Meeting,
Thursday, December 20, 2018 at 2510 14th Street, Suite 1450, Gulfport, Mississippi at
which the following Commissioners and staff were present:

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

Staff: Jonathan Daniels, Executive Director/CEO
 Matthew Wypyski, Deputy Director/COO
 Kim Purchner, Executive Asst./HRO
 John Webb, Director of Engineering
 Nick Foto, Deputy Program Manager
 DeeDee Wood, CFO
 Carlos Bell, Director of Public Engagement
 Shawn Meyer, Director of Operations
 Matt Gabbett, Deputy Operations Director
 Gary Pitcovich, Crane Manager
 Deborah Peterson, Acct. Specialist
 Lisa Mussa, Acct. Specialist

 Ben Stone, Legal Counsel (via telephone)
 David Duhe, Legal Counsel

Others: Philip Carter, MDA
 Brian Smith, Watkins & Eager
 Michael Sheely, CH2MHill
 Greg Schruff, SSA Maritime
 Bruce Newton, Digital Engineering
 Cindy Lamb, Pickering Engineering
 Lillian Jenkins, Horne
 Bruce Hall, SeaOne
 Maddie Peltry, Simpkins & Costelli
 Michael Sheely, Simpkins & Costelli
 Kim Marmalich, AVL
 Debra Aikens, AVL
 Wallace Goodman, Wharton-Smith
 John Sneed, SSH/BXSI
 Thomas Adams, T.L. Wallace
 Cynthia Henderson, Cypress

Commissioner Rester 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 Rester.

The invocation was led by Carlos Bell, MSPA

In accordance with Article IV of the Bylaws as amended, the rotation of Officers occurs at the December meeting of the Board of Commissioners:

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

Commissioner Simpson was presented with a framed and engraved port photo of a project that was completed during his term as President.

PUBLIC COMMENTS:

Wallace Goodman, Wharton-Smith presented the Commission with the “Golden Eagle Award”. Wharton-Smith entered the Marine Research Center Project in the Associated Building and Contractors Association award program and won first place.

Kim Marmalich, Alexander, Van Loon, Sloan, Levens, & Favre, PLLC gave a presentation on the Port’s FY18 Audit.

Commissioner Roberts moved to approve and accept the audit as presented.
Commissioner Simpson seconded and the motion was unanimously approved.

Director Daniels left the meeting for a meeting in Jackson with the Governor.
Bruce Hall, SeaOne, gave a status update on the SeaOne Project.

Commissioner Simpson moved to approve the November 14th and December 6th Minutes.
Commissioner Roberts seconded, and the motion was unanimously approved.

Commissioner Roberts moved to approve travel requests as submitted. Commissioner Knesal seconded and the motion was unanimously approved.

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

FINAL CHECKLIST FOR NOVEMBER 28, 2018
BILLS FOR THE MONTH OF NOVEMBER 2018 APPROVED AND PAID
FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK#	VENDOR	DESCRIPTION	CHK AMT
54065	Kentwood Springs	Drinking Water	285.58
54066	AFLAC	Employee Deductions	1,523.29
54067	AGJ Systems & Networks, Inc.	Computer Services	4,317.00
54068	All Seasons Farm Equipment Inc.	Trim Harness for Weed Eaters	103.14
54069	Cable One, Inc.	Cable Services	120.10
54070	Card Services	Travel Expenses	952.51
54071	Card Services	Travel Expenses	1,849.57
54072	Card Services	Office and Promotional Supplies	940.64
54073	Chancellor, Inc.	Lighting Controller for Water Tower	1,575.00
54074	Collection Services Center	Employee Deductions	90.06
54075	C Spire Business Solutions	Telephone/Internet Services	1,756.84
54076	Jonathan Daniels	Business Expenses	169.99

54077	State School Insurance Fund	Employee Deductions	16,622.96
54078	Federal Express Corp.	Express Mailing Services	124.44
54079	Foliage Design Systems, Inc.	Interior Plant Maintenance	253.78
54080	Fuelman	Fuel for MSPA Vehicles	151.95
54081	Matthew Gabbett	Travel Expenses	15.24
54082	Grainger, Inc.	Pavement Stencils and Maintenance Supplies	5,836.27
54083	Robert Grubb	Bagpiper for Restoration Celebration	300.00
54084	Guardian	Employee Deductions	1,702.45
54085	Hancock Bank	December Lease for Suite 1450	23,168.31
54086	MS State Treasurer Fund 3360900000	Telephone/Internet Services	460.32
54087	JRMT, LLC	Cookies for Restoration Celebration	1,795.50
54088	King Limo & Limousine	Limousine Service	858.00
54089	The Lamar Companies	Billboard Advertising	2,880.00
54090	M2 Media Corp.	Advertising	2,000.00
54091	Maritime Defense Strategy, LLC	Security Consulting Services	3,650.00
54092	MS Dept. of Human Services CRDU	Employee Deductions	156.00
54093	MS Pub. Employees Credit Union	Employee Deductions	320.00
54094	Pass Road Mini Storage, LLC	Storage Unit Rent	150.00
54095	PJ'S Coffee	Refreshments for Restoration Celebration	845.00
54096	Legal Shield	Employee Deductions	30.91
54097	Kim Purchner	Travel and Office Expenses	86.72
54098	Redd Pest Solutions	Pest Control Services	90.00
54099	RJ Young Company, Inc.	Printer Maintenance	576.69
54100	Shred-It USA, LLC	Shredding Services	136.89
54101	Sorg Printing, LLC	Tickets for Truck Scale Printer	470.00
54102	Snarazzzi Photobooth Company, LLC	Photobooth for Restoration Celebration	1,250.00
54103	Southern Admin. and Benefits	Monthly Service Fees	200.00
54104	BXS Insurance, Inc.	Insurance	182,836.00
54105	Stribling Equipment, LLC	Valve for Shuttlewagon	185.00
54106	The Sun Herald	Advertising	475.00
54107	Sam Sutton	Commemorative Coins for Restoration Celebration	2,968.00
54108	Sweiman Security Services, Inc.	Security Guard Services	53,200.07
54109	United Way of South MS, Inc.	Employee Deductions	376.10
54110	Vision Service Plan	Employee Deductions	190.05
54111	Waring Oil Company, LLC	Grease for STS Cranes	249.88
54112	Matthew Wypyski	Business Expense	22.02
TRANSFERS			
11/16/18	MS Department of Revenue	October Sales Tax	13,750.08
11/27/18	Deferred Compensation	Employee Deductions	1,040.00
11/27/18	Public Employment Retirement	Retirement Match and Withheld	56,044.31
11/28/18	Federal Tax Deposit	Payroll Tax Deposit	24,079.84
Total			\$413,231.50

FINAL CHECKLIST FOR DECEMBER 20, 2018

BILLS FOR THE MONTHS OF NOVEMBER AND DECEMBER 2018 APPROVED AND PAID

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

CHK#	VENDOR	DESCRIPTION	CHK AMT
54116	Kentwood Springs	Drinking Water	173.27
54117	Sage Abra	Office Supplies	193.42
54118	AFLAC	Employee Deductions	1,523.29
54119	After The Proposal Weddings & Events	Event Planner For Restoration Celebration	10,162.25

54120	Kim Aguilard	Business Expenses	37.15
54121	AirGas Gulf States	Oxygen Cylinder Rental	38.00
54122	Anytime Portables, LLC	Portable Restrooms	570.00
54123	Barefield Workplace Solutions, Inc.	Office Furniture	1,329.00
54124	Battery Sales & Service	Battery for Unit #7	79.96
54125	AT&T	Telephone Services	1,131.81
54126	Carlos Bell	Business and Travel Expenses	215.60
54127	Bomara Associates, Inc.	Electric Meter	6,466.25
54128	Cable One, Inc.	Cable Services	111.05
54129	Campbell Newspapers, LLC	Advertising for Restoration Celebration	420.00
54130	Card Services	Registration Fees	150.00
54131	Card Services	Travel Expenses	52.00
54132	Card Services	Supplies for Restoration Celebration	487.86
54133	Chancellor inc	Electrical Supplies and Switches for Cranes	3,800.77
54134	City of Gulfport	Water	13,864.46
54135	City of Gulfport-Harbor Lights Winter	Sponsorship	300.00
54136	Sun Coast Business Supply	Office Supplies	1,021.36
54137	Collection Services Center	Employee Deductions	90.06
54138	William A. Colgin II	Photography Services for Restoration Celebration	875.00
54139	C Spire Wireless	Radio/Cell Phone Service	1,123.99
54140	C Spire Business Solutions	Telephone and Internet Services	1,758.79
54141	Jonathan Daniels	Business Expenses	323.15
54142	State School Insurance Fund	Employee Deductions	16,229.96
54143	Dept. of Finance & Admin.	MMRS Quarterly Charges	300.50
54145	Federal Express Corp.	Express Mail Services	80.83
54146	Fuelman	Fuel For MSPA Vehicles	306.61
54147	Grainger, Inc.	Maintenance Supplies	3,721.43
54148	Great Southern Club	Monthly Dues and Business Expenses	149.76
54149	Guardian	Employee Deductions	1,698.24
54150	Gulf Ports Association	Membership Dues	400.00
54151	Island View Casino Resort	Lodging for Military Band	110.88
54152	Island View Casino Resort	Lodging for Military Band	110.88
54153	Island View Casino Resort	Lodging for Military Band	110.88
54154	Island View Casino Resort	Lodging for Military Band	110.88
54155	Hancock Bank	January Lease For Suite 1450	23,168.31
54156	Harbor Square Parking Garage	Parking Garage Quarterly Rent	3,622.65
54157	Hotard Coaches, Inc.	Bus Rental for Restoration Celebration	1,463.78
54158	HRdirect	Office Supplies	63.94
54159	Newell Paper Co.	Janitorial Supplies	484.20
54160	Kalmar USA, Inc.	Parts for Spreader Repairs	3,322.84
54161	King Limo & Limousine	Limousine Service	276.00
54162	Robert J. Knesal	Per Diem	160.00
54163	The Lamar Companies	Advertising for Restoration Celebration	1,120.00
54164	Lands' End, Inc	Employee Uniforms	810.93
54165	Lowe's Home Center, Inc.	Supplies for Crane Department	160.52
54166	Trever Scott Malley	Restoration Celebration Services	450.00
54167	MS Dept. of Human Services CRDU	Employee Deductions	156.00
54168	MS Power Company	Electricity	185,938.68
54169	MS Pub. Employees Credit Union	Employee Deductions	320.00
54170	MSPA Petty Cash Fund	Replenish Petty Cash	103.77
54171	Mary Nelson	Office Supplies	76.27
54172	Neopost	Postage Meter Rent	140.18
54173	Jack Norris	Per Diem	160.00
54174	Pass Road Mini Storage, LLC	Storage Unit Rent	240.00
54175	Ports America, Inc.	Draying Dole Containers	105,692.53
54176	Legal Shield	Employee Deductions	30.91

54177	It's Promo Time	Podium and Promotional Supplies	3,751.32
54179	Raycom TV Broadcasting, Inc.	Advertising for Restoration Celebration	10,780.80
54180	Redd Pest Solutions	Pest Control Services	90.00
54181	RJ Young Company, Inc.	Copier Maintenance	879.24
54182	Eluse J. Roberts	Per Diem	80.00
54183	Rose Office Systems, Inc.	Dismantle and Return Freight for Trailer	8,851.00
54184	The Sea Coast Echo	Advertising for Restoration Celebration	692.50
54185	Sorg Printing, LLC	Promotional and Office Supplies	930.00
54186	James C. Simpson, Jr.	Per Diem	200.00
54187	Nicholas Smith	Restoration Celebration Services	450.00
54188	Norma Jean Soroe	Transcription Services	424.48
54189	Southern Printing & Silkscreen	Flyers and Signage	3,140.00
54190	Southern Admin. and Benefits	Employee Deductions	14,995.76
54191	Southern Event Productions	Decorations for Restoration Celebration	14,666.50
54192	Stuart C. Irby Co.	Switch for Crane #2	340.00
54193	Sunbelt Rentals, Inc.	Generator and Heaters for Restoration Celebration	3,766.50
54194	Taste Catering	Catering for Restoration Celebration	24,008.00
54195	Davion Reshaud Tate	Restoration Celebration Services	450.00
54196	Southern Tire Mart, LLC	Tires for Shuttlewagon	1,810.00
54197	United States Postal Service	Postage	1,000.00
54198	Vision Service Plan	Employee Deductions	190.05
54199	Vulcan Construction Materials, LLC	Limestone	1,612.45
54200	WalMart Community	Maintenance Supplies	43.74
54202	Waste Management	Waste Removal Services	1,079.70
54204	Weaver Electric	Electrical Services	2,471.00
54205	WJZD, Inc.	Advertising for Restoration Celebration	990.00
54206	DeeDee Wood	Business Expenses	115.49
54207	Matthew Wypyski	Travel Expenses	61.79

CHECKS DATED 11/29/18 AND RELEASED PRIOR TO SCHEDULED CHECK RUN

54113	Education Alliance LLC	Marketing Video	7,834.00
-------	------------------------	-----------------	----------

CHECKS DATED 12/03/18 AND RELEASED PRIOR TO SCHEDULED CHECK RUN

54114	Jonathan Daniels	Travel Expenses	1,764.00
54115	Matthew Wypyski	Business Expenses	157.61
TRANSFERS			
12/07/18	Deferred Compensation	Employee Deductions	1,040.00
12/10/18	MS Department of Revenue	Employee Deductions	7,967.00
12/10/18	USAC	Channel Expansion	50,000.00
12/12/18	Federal Tax Deposit	Payroll Tax Deposit	23,626.18
12/19/18	MS Department of Revenue	Sales Tax Payment	9,683.65
			Total
			\$597,533.61

Commissioner Roberts 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:

Vendors: A3M Vacuum Service, Inc.; D.A. Marine Fumigation Service, Inc.; Delta Sanitation of MS, LLC; Glenn Machine Works, Inc.; LNJ Services, Inc.

Transfer Company: Services International, Inc.

Commissioner Knesal moved to approve the following progress payments: Balch & Bingham (\$175,828.48); Digital Engineering (\$91,873.75); QES, Inc. (\$11,594.50); Walters Diving & Marine (\$461,233.24); and W.C. Fore Trucking (\$503,191.66). Commissioner Norris seconded, and the motion was unanimously approved.

Commissioner Simpson moved to approve Cash Request #243 – Atwell & Gent (\$23,054.22); Drace Construction (\$425,898.45); Eley Guild Hardy Architects (\$39,408.00); Necaize Brothers Construction (\$3,247,157.56); Neel Schaffer (\$18,775.93); and Volkert, Inc. (\$7,355.92) for a total \$3,761,650.08. Commissioner Roberts seconded, and the motion was unanimously approved.

Commissioner Roberts moved to approve Cash Request #244 to Necaize Brothers Construction for \$3,669,207.12. Commissioner Norris seconded, and the motion was unanimously approved.

Commissioner Knesal moved to approve Cash Request #245 to Necaize Brothers Construction for \$659,390.63. Commissioner Roberts seconded, and the motion was unanimously approved.

Commissioner Roberts moved to approve Cash Request #246 to CH2MHill for \$104,012.79. Commissioner Norris seconded, and the motion was unanimously approved.

OLD BUSINESS:

Commissioner Simpson moved to table McDermott’s Second Lease Amendment. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Change Order 1 to Contract No. 17-EN-04 with W.C. Fore Trucking Co. Change Order 1 increases costs by \$4,700.10 with no change to the schedule. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment 15 to Contract No. 518-C with CH2MHill. Amendment 15 adds 365 days to the contract, changing the end date to December 31, 2019. There was no change in costs. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment 10 to Contract No. 010-HUD-001 with Neel Schaffer. Amendment 10 closes out the contract and de-obligates \$5,313,871.05. All work has been accepted and completed. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment 9 to Contract No. 010-HUD-006 with YAJV. Amendment 9 closes out the contract and de-obligates \$1,272.73. All work has been accepted and completed. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Amendment 11 to Contract No. 010-HUD-007 with Volkert, Inc. Amendment 11 closes out the contract and de-obligates \$148,828.71. All work has been accepted and completed. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve close out and de-obligated funds for completed and accepted work for Neel Schaffer under Contract No. 010-HUD-001:

Amendment 7 to Task Order 28 – <\$.40>
Amendment 7 to Task Order 39 – <\$20.79>

Amendment 2 to Task Order 55 – <\$\$.50>

Commissioner Norris seconded, and the motion was unanimously approved.

Commissioner Simpson moved to approve close out and de-obligated funds for completed and accepted work for YAJV under Contract No. 010-HUD-006:

Amendment 8 to Task Order 13 - <\$00.00>

Amendment 1 to Task Order 30 - <\$66.00>

Commissioner Roberts seconded, and the motion was unanimously approved.

Commissioner Norris moved to approve close out and de-obligated funds for completed and accepted work for Volkert, Inc. under Contract No. 010-HUD-007:

Amendment 3 to Task Order 15 – <\$2,608.84>

Amendment 2 to Task Order 16 – <\$1,657.25>

Commissioner Simpson seconded, and the motion was unanimously approved.

Commissioner Roberts moved to approve Change Order No. 5 to Contract No. 018-HUD-046 with Drace Construction. Change Order 5 results in a credit of \$15,000 but adds 8 additional days. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Norris moved to approve Modification No. 10 to Contract No. R115-06-02 (Sub-Recipient Agreement). Modification No. 10 adds 365 days, moving the closing to December 31, 2019 with no change in costs. Commissioner Simpson seconded and the motion was unanimously approved.

NEW BUSINESS:

Commissioner Simpson moved to approve Work Order 7 with Digital Engineering under Contract No. 18-EN-04. Work Order 7 has a not to exceed amount of \$136,846.00. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve a rate increase of 4.5% for the MS Pilots Association, effective January 1, 2019. Additional stipulations were as follows:

- 1) An annual Pilot rate increase review will take place each August, beginning in 2019, for the purpose of determining July’s CPI figure: this figure will be used to establish a proposed Pilot rate increase for the following year.
- 2) The proposed annual Pilot rate increase will have a not to exceed amount of 3%, unless there is some justifiable reason to exceed.
- 2) The proposed annual Pilot rate increase will be presented to the ocean carriers and any related feedback will be discussed with the Pilots.
- 3) The Pilot Board will vote on the proposed annual Pilot rate increase once it has considered all necessary details, including ocean carrier comments.

Commissioner Roberts seconded and the motion was unanimously approved.

PORT RESTORATION UPDATE:

Nick Foto, Deputy Program Manager gave a status update any remaining projects.

OPERATIONS REPORT:

Matthew Wypyski, Deputy Director and COO reported on the maritime activity for the month of November:

Vessels	27	Vehicles	11,134
TEU's	14,767	Railcar Count	890
Tonnage (short tons)	13,949		

The maintenance dredging is wrapping up. Once complete, surveys will take place and restrictions will be lifted.

Mr. Wypyski thanked the Crane Department for their stellar abilities. The cranes had a 99.7% up-time for the month of November and this is a rare occurrence for any port.

GENERAL COUNSEL'S COMMENTS:

David Duhe had no comments.

MDA'S COMMENTS:

Philip Carter had no comments.

COMMISSIONER COMMENTS:

Commissioner Simpson thanked DeeDee Wood and her staff in the Finance Department for the clean audit report and for the great job they do. He also commended Balch & Bingham for their efforts with a current litigation matter.

Commissioner Roberts thanked MSPA tenants for their patience as we went through the Restoration process.

Commissioner Rester wanted to include all other partners as well for their patience and efforts. He also commended the MS Pilots Association for their pro-active stance in working with our tenants on their justified increase. He really appreciated that the Pilots went to the carriers first to get their feedback.

All Commissioners wished the Staff and all present a Merry Christmas and a Happy New Year!

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

Commissioner Simpson moved to enter Executive Session to discuss legal matters (litigation) and real estate matters (negotiations on acquisition of property). Commissioner Roberts seconded and the motion was unanimously approved.

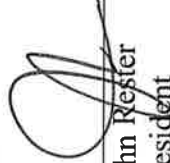
(THE BOARD OF COMMISSIONERS ENTERED INTO EXECUTIVE SESSION AT APPROXIMATELY 10:00 A.M.)

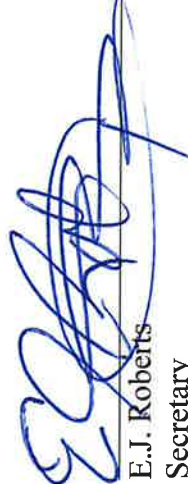
Commissioner Simpson moved to come out of executive session and return to open meeting. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Simpson moved to adjourn.

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

Approved and Attested


John Rester
President


E.J. Roberts
Secretary