

MISSISSIPPI PORT AUTHORITY

BOARD OF COMMISSIONERS

REGULAR MEETING

June 28, 2018

Minutes of the Mississippi State Port Authority Board of Commissioners Meeting, Thursday, June 28, 2018 at 2510 14th Street, Suite 1450, Gulfport, Mississippi at which the following Commissioners and staff were present:

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

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

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

Others: Brian Smith, Watkins & Eager
Duane Wilson, Chemours, Inc.
Bruce Newton, Digital Engineering
Michael Sheely, CH2MHill
Randall Love, TL Wallace
Howard Page, North Gulfport Community Landtrust
Cindy Lamb, PFI
Shorty Sneed, SSH
Mark Lishen, Eley, Guild, Hardy Architects
Lillian Jenkins, Horne
David Bland, YAJV
Don Collins, Dan Hensarling, Inc.
Teresa Ehrlich, WC Fore Trucking
Beau Etheridge
Bob Burns, CH2MHill
Tom Wells, Waldemar S. Nelson Co.
Richie Ashley, Neel Schaffer
Maddie Costelli, Simpkins & Costelli
Michael Costelli, Simpkins & Costelli
Mark McDaniel, YAJV
Ryan Bradley, MS Commercial Fisheries United
Chris O'Brien, Seaman's Center
Jim Clayton, Page & Jones

Commissioner Simpson 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 Simpson.

The invocation was led by Pastor Chris O'Brien, International Seamans' Center

PUBLIC COMMENTS:

Howard Page, North Gulfport Community Land Trust had a question about the Port's position on 435 acres of wetlands that might be filled by the City/County. He also questioned the timeline for the SeaOne pipeline permit.

Ryan Bradley, MS Commercial Fisheries United, addressed the Commission with concerns about the placement of dredge sediments.

Commissioner Roberts moved to approve the May 17th Minutes. Commissioner Rester seconded, and the motion was unanimously approved.

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

Commissioner Rester moved to approve the disbursements listed below. Commissioner Roberts seconded and the motion was unanimously approved.

DISBURSEMENTS THROUGH JUNE 15, 2018
BILLS FOR THE MONTHS OF MAY 2018 AND JUNE 2018 APPROVED AND PAID
FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK #	VENDOR	DESCRIPTION	CHK AMT
53500	American Assoc. of Port Auth.	Registration Fees	2,050.00
53501	ABB, Inc.	Parts for STS Crane #2	626.00
53502	AirGas Gulf States	Oxygen Cylinder Rental	43.47
53503	Alimak Hek, Inc.	Crane Elevator Inspections	2,100.00
53504	All Seasons Farm Equipment Inc.	Grounds Equipment	372.41
53505	Anytime Portables, LLC	Portable Restroom Services	820.00
53506	Awards Unlimited	Plaques	80.00
53507	B.E.A.R.	Repair Parts for STS Crane #3	534.17
53508	AT&T	Telephone Services	1,192.79
53509	Card Services	Travel Expenses and Registration Fees	2,491.20
53510	City of Gulfport	Water	13,124.37
53512	DLA Printing & Promo's	Office Supplies	315.40
53513	Federal Express Corp.	Express Mail Services	146.75
53514	Fuelman	Fuel For MSPA Vehicles	270.85
53515	Grainger, Inc.	Maintenance and Safety Supplies	3,541.36
53516	Great Southern Club	Monthly Dues and Business Expenses	810.26
53517	Newell Paper Co.	Office Supplies	772.20
53518	Kalmar USA, Inc.	Parts for Crane #94	4,324.66
53519	Konecranes, Inc.	Parts for Crane #94	1,087.00
53520	MS Dept. of Human Services CRDU	Employee Deductions	156.00
53521	MS Gulf Coast Chamber of Comm.	Sponsorship	500.00
53522	MS Power Company	Electricity	100,156.87
53523	MS Pub. Employees Credit Union	Employee Deductions	320.00
53524	Naylor, LLC	Advertising	2,599.50
53525	Neopost	Equipment Rental	140.16
53526	Northern Tool & Equipment Co.	Welder	3,299.99
53527	Norton Lilly	Refund Duplicate Payment	50.00

53528	Office Furniture Solutions, Inc.	Office Chair	330.00
53529	Ports America, Inc.	Draying Dole Containers	33,209.24
53530	Legal Shield	Employee Deductions	30.91
53531	PTW	Tire for Shuttlewagon	922.40
53532	Raycom TV Broadcasting, Inc.	Advertising	334.22
53533	Redd Pest Solutions	Pest Control Services	90.00
53534	RJ Young Company, Inc.	Copier Maintenance Agreements	879.24
53535	Rose Office Systems, Inc.	Construction Trailer Rentals	3,031.00
53536	Southern Printing & Silkscreen	Logos for Safety Supplies	80.00
53537	Swetman Security Services, Inc.	Security Guard Services	29,027.44
53538	Southern Tire Mart, LLC	Tire for Unit #18 Backhoe	196.66
53539	United States Postal Service	Box Rental	214.00
53540	Waste Management	Waste Removal Services	474.70
53541	The Whit Group, LLC	Web Hosting	719.88
53542	C Spire Wireless	Radio/Cell Phone Services	1,171.42
53543	C Spire Wireless	Telephone and Internet Services	1,750.15
CHECK DATED 06/04/18 AND RELEASED PRIOR TO SCHEDULED CHECK RUN			
53499	Morpho Trust USA, LLC	TWIC Card For J. Holliman	125.25
TRANSFERS			
05/21/18	Balch & Bingham Trust	Cotton Compress Property	50,000.00
	Deferred Compensation	Employee Deductions	990.00
06/08/18	MS State Tax Commission	Employee Deductions	
06/08/18			7,393.00
06/11/18	AAPA 2018 Chile, Inc	Registration Fees	5,500.00
	Federal Tax Deposit	Payroll Tax Deposit	
06/13/18			23,738.66
			\$
		Total	<u>302,133.58</u>

FINAL CHECKLIST FOR JUNE 28, 2018

BILLS FOR THE MONTHS OF MAY AND JUNE 2018 APPROVED AND PAID

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

CHK#	VENDOR	DESCRIPTION	CHK AMT
53546	American Assoc. of Port Auth.	Membership Dues	10,412.00
53547	ABB, Inc.	Training and Troubleshooting for STS Cranes	10,799.89
53548	Kentwood Springs	Drinking Water and Sport Drinks	642.56
53549	AFLAC	Employee Deductions	1,277.60
53550	AGJ Systems & Networks, Inc.	Computer Services and Equipment	2,183.00
53551	Kim Aguillard	Travel and Business Expenses	63.80
53553	Cable One, Inc.	Cable Services	120.12
53554	Card Services	Advertising	2.39
53555	Sun Coast Business Supply	Office Supplies	160.72
53556	Collection Services Center	Employee Deductions	216.12
53557	State School Insurance Fund	Employee Deductions	17,406.62
53559	Federal Express Corp.	Express Mail Services	22.79
53560	Foliage Design Systems, Inc.	Interior Plant Maintenance	253.78
53561	Fuelman	Fuel for MSPA Vehicles	394.47
53562	Guardian	Employee Deductions	1,702.45
53563	Gulf Coast Business Supply, Inc.	Office Supplies	39.80
53564	Hancock Bank	July Lease for Suite 1450	23,168.31
53565	Robert J. Knesal	Per Diem	120.00
53566	Lowe's Home Center, Inc.	Maintenance Parts	289.88
53567	Maximum Auto Parts	Maintenance Supplies	492.84
53568	MS Dept. of Human Services CRDU	Employee Deductions	156.00
53569	Naylor, LLC	Advertising	480.00

53571	Jack Norris	Per Diem	80.00
53572	Pass Road Mini Storage, LLC	Storage Unit Rental	150.00
53573	Ports America, Inc.	Draying Dole Containers	15,407.78
53574	RJ Young Company, Inc.	Printer Maintenance Agreements	170.37
53575	Eluse J. Roberts	Per Diem	80.00
53576	Seal Electrical, Inc.	Electrical Services	3,144.73
53577	Shred-It USA, LLC	Shredding Services	70.67
53578	James C. Simpson, Jr.	Per Diem	120.00
53579	Southern Printing & Silkscreen	Logos and Promotional Supplies	508.00
53580	Specialty Hose & Fabrication	Part for Street Sweeper	148.06
53581	Sunbelt Rentals, Inc.	Portable Light Tower Rental	1,292.85
53582	Swetman Security Services, Inc.	Security Guard Services	29,461.60
53583	United Way of South MS, Inc.	Employee Deductions	220.26
53584	Vision Service Plan	Employee Deductions	190.05
53585	Waste Management	Waste Removal Services	195.00
53586	Matthew Wypyski	Travel Expenses	28.34
CHECKS DATED 06/26/18 AND RELEASED PRIOR TO SCHEDULED CHECK RUN			
53544	Monster Subs	Staff Working Lunch	80.00
53545	Morpho Trust USA, LLC	TWIC Card for C. Wells	125.25
TRANSFERS			
06/18/18	MS Department of Revenue	Sales Tax	10,518.92
06/21/18	Deferred Compensation	Employee Deductions	990.00
06/27/18	Payroll Tax Deposit	Payroll Tax Deposit	25,590.04
06/27/18	Public Employment Retirement	Retirement Match Withheld	46,990.40
Total			\$ 205,967.46

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

The following items were approved:

RENEWAL LICENSES:

Vendors: All Crane Rental; Arrow Sysco Food Services; Auto Chlor Services; Dockside Services; Eagle Energy, Inc.; Gulf Marine & Industrial Supplies, Inc.; Kirby Inland Marine; Maymar Marine Supply; World Ship Supply

Steamship Agents: Biehl & Company; Dole Fresh Fruit; General Steamship Corporation; Norton Lilly International; GAC Shipping

Stevedores: CSA Equipment Co., LLC; Ports America Gulfport, Inc.

Pilots: Stanley Fournier; Murrell Hilton, II; Robert Wren

Commissioner Knesal moved to approve the following progress payments: Balch & Bingham (\$163,617.04); BMA, Inc. (\$26,637.25); and Digital Engineering (\$154,924.50); Necaise Bros. (\$21,300.00) and ZPMC (\$96,000.00). Commissioner Rester seconded, and the motion was unanimously approved.

Commissioner Roberts moved to approve Cash Request #219 – Anchor QEA (\$20,105.26); Atkins (\$55,961.32); Atwell & Gent (\$39,658.63); CH2MHill (\$179,358.12); MSPA (\$60,105.59); Neel Schaffer (\$53,032.93); QES (\$28,628.69); Thompson Engineering (\$2,339.57) and Volkert (\$31,431.16) for a sub-total of \$2,183,271.07. Commissioner Knesal seconded, and the motion was unanimously approved.

Commissioner Knesal moved to approve Cash Request #220 to YAJV for \$862,633.50. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Cash Request #221 to Necaise Brothers for \$3,851,689.60. Commissioner Rester seconded, and the motion was unanimously approved.

Commissioner Roberts moved to approve Cash Request #222 to J.O. Collins (\$39,909.68); Necaise Brothers (\$1,919,213.21); W.C. Fore (\$115,462.72) and Wharton Smith (\$193,914.75) for a total of \$2,268,501.36. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Cash Request #223 to Travelers as Surety for \$303,523.44. Commissioner Knesal seconded, and the motion was unanimously approved.

Commissioner Rester moved to approve Cash Request #224 to J.O. Collins for \$335,077.93. Commissioner Roberts seconded, and the motion was unanimously approved.

Commissioner Knesal left the meeting.

Commissioner Rester moved to approve payment of \$18,887.08 to Eley Guild Hardy Architects under Cash Request #219. The total for Cash Request #219 is \$2,202,158.15. Commissioner Roberts seconded and the motion was unanimously approved.

OLD BUSINESS:

Commissioner Rester moved to approve Amendment 2 to Task Order 7 with Eley Guild Hardy Architects under Contract No. 016-HUD-031. Amendment 2 reduces the schedule by 199 days, revises the expiration date to June 15, 2018 and de-obligates \$2,004,362.78. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Knesal returned to the meeting.

Commissioner Roberts moved to approve the following de-obligated amounts in order to close out completed and accepted work with Thompson Engineering under Contract No. 010-HUD-002:

- Amendment 9 to Task Order 8 - <\$16,223.89>; as-needed Construction & Geotechnical Services
- Amendment 1 to Task Order 26 - <\$16,037.54>; Terminal 1 M&R and Gate Project

Commissioner Rester seconded, and the motion was unanimously approved.

Commissioner Rester moved to approve the following de-obligated amounts in order to close out completed and accepted work with QES, Inc. under Contract No. 010-HUD-003:

- Amendment 2 to Task Order 17 - <\$26,935.03>; Marine Research Facility Building Project
- Amendment 2 to Task Order 18 - <\$1,367.10>; North Harbor West Paving & Electrical Improvements Project
- Amendment 21 to Task Order 2 - <\$8,931.83>; Barge Mooring Facility Project

Commissioner Roberts seconded, and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment 2 to Task Order 26 with YAJV under Contract No. 010-HUD-006. Amendment 2 adds 123 days and has a revised

expiration date of October 31, 2018. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment 8 to Task Order 16 with Anchor QEA under Contract No. 010-HUD-011. Amendment 8 adds 123 days and has a revised expiration date of October 31, 2018. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment 3 to Task Order 18 with Atwell & Gent under Contract No. 010-HUD-013. Amendment 3 adds 123 days and has a revised expiration date of October 31, 2018. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment 2 to Task Order 19 with Atwell & Gent under Contract No. 010-HUD-013. Amendment 2 increases costs by \$5,720.00 with no change in schedule. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Change Order 4 with Travelers as Surety under Contract No. 015-HUD-025. Change Order 4 increases costs by \$187,110.92 with no change in schedule. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Roberts moved to approve Change Order 17 with Necaise Brothers under Contract No. 015-HUD-026. Change Order 17 increases costs by \$103,000.00 with no change in schedule. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Change Order 4 with Wharton Smith under Contract No. 017-HUD-040. Change Order 4 decreases costs by \$19,237.26 for unused units. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Modification No. 1 to Work Order No. 1 with Digital Engineering under Contract No. 17-EN-04. Modification No. 1 increases the funding level on Work Order No. 1 by \$150,000.00. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Modification No. 1 to Work Order No. 4 with Digital Engineering under Contract No. 17-EN-04. Modification No. 4 increases the funding level on Work Order No. 4 by \$28,600 for as-needed general engineering support. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve a Notice of Award for the East Pier Wharf Improvement Project to the lowest and best bidder, W.C. Fore Trucking, Inc., in the amount of \$3,750,346.60. Five bids were received for work relating to the new wharf and dock improvements at East Pier Berth 1. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Rester moved to approve a Notice of Award for the Chemours Enhancement Project. Three bids were received and the lowest base bid in the amount of \$1,578,530.00 was submitted by G.A. West & Company. Commissioner Roberts seconded and the motion was unanimously approved.

NEW BUSINESS:

The vote on the FY19 Operating Budget was moved to after Executive Session where discussions on personnel would take place.

PORT RESTORATION UPDATE:

Nick Foto, Deputy Program Manager gave a status update on current projects.

OPERATIONS REPORT:

Matthew Wypyski, Chief Operating Officer, reported on the maritime activity for the month of May:

Vessels	38		Vehicles	14,032
Tugs	15		Railcar Count	918
Barges	41		TEU's	18,342
			Tonnage (short tons)	210,129

Mike Hooks has begun dredging the channel. They were here earlier and had to cease dredging operations due to a lack of funding. They are back dredging due to \$3 million emergency funding. Another \$6 million will be allocated so we will be completely maintained around the middle of September.

A good deal of community outreach has been taking place with External Affairs working many weekends and nights. Matt himself spoke to two groups recently – the Biloxi Rotary on June 5th and the Biloxi Lions Club on June 20th. Port tours will take place again on July 19th from 4:00 – 6:00.

The Island View addition is now open and it is definitely a sight to see – a really beautiful addition with a great view of the port.

EXECUTIVE DIRECTOR'S REPORT:

As Matt reported, the Island View had their grand opening last week of the new smoke-free addition. Many people did not expect them to meet their deadline but they did it and did it in style. Rick Carter repeatedly thank the MS State Port Authority for their help in making the project happen. We took reductions in order for the project to come to fruition and it truly is a beautiful facility.

This will be Crowley's first week in utilizing their new facility. All the pieces are finally falling into place.

Many thanks to all the staff as the Director was on an extended medical leave. All went well during his absence.

GENERAL COUNSEL'S COMMENTS:

Ben Stone had no comments.

MDA'S COMMENTS:

Philip Carter had no comments.

COMMISSIONER COMMENTS:

Commissioner Rester also commented on the beautiful Island View addition. It really is like no other casino he has ever seen with the floor to ceiling windows. Rick Carter

Commissioner Knesal spoke to the Gulfport City Council as an engineer and private citizen, not as a Port Commissioner when he addressed their drainage projects.

Commissioner Roberts expressed his appreciation for all the progress that is taking place on the port – many closeouts were put before the Board at today's meeting.

Commissioner Simpson welcomed Jonathan back and commented on the great job that Matt did during his absence. He also spoke directly to Mr. Ryan Bradley, MS

Commercial Fisheries United to let him know that the fishing industry is very important to him and we should all listen to their concerns. Commissioner Simpson wanted to give credit to Roy Anderson for meeting their deadline for the Island View addition. He also wants to open up a discussion to consider the repair and upgrade of the road on the east side of port property that leads to the East Gate and to the Gulfport Yacht Club.

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

Back in open session, Commissioner Roberts moved to enter Executive Session to discuss legal matters (litigation with SIC), real estate matters (acquisition of property) and personnel matters. Commissioner Rester seconded and the motion was unanimously approved.

(THE BOARD OF COMMISSIONERS ENTERED INTO EXECUTIVE SESSION AT APPROXIMATELY 9:45 P.M.)

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

The Commission re-entered open session and Commissioner Simpson noted that no action was taken during executive session.

NEW BUSINESS:

Commissioner Rester moved to approve the FY19 Operating Budget as presented with total expenditures in the amount of \$17,648,998.00. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Knesal moved to amend the agenda to add an Old Business Item. Commissioner Roberts seconded and the motion was unanimously approved.


Commissioner Rester moved to approve an Amendment to the Purchase and Sale Agreement with Cotton Compress property. This Amendment adds 90 days to perform due diligence activities and also allows for up to \$200,000.00 to be withheld from existing escrow funds as compensation for environmental mitigation expenses. Commissioner Roberts seconded and the motion was unanimously approved.

Commissioner Rester moved to amend the contract with Executive Director Daniels to include a 2% increase, retroactive to May 1, 2018. Commissioner Knesal seconded and the motion was unanimously approved.

Commissioner Roberts moved to adjourn.

The meeting adjourned at approximately 12:30 p.m.

Approved and Attested


James C. Simpson, Jr.
President


Jack Norris
Secretary