

MISSISSIPPI PORT AUTHORITY

BOARD OF COMMISSIONERS

REGULAR MEETING

March 23, 2017

Minutes of the Mississippi State Port Authority Board of Commissioners Meeting,
Thursday, March 23, 2017 at 2510 14th Street, Suite 1500, Gulfport, Mississippi at which
the following Commissioners and staff were present:

Commissioners: Robert J. Knesal, President
James C. Simpson, Jr.
John Rester, Secretary
Jack Norris, Treasurer (via telephone)

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
Chuck Graham, Crane Manager
Shawn Meyer, Deputy Operations Manager
Kim Aguillard, Marketing & Media Manager

Ben Stone, Legal Counsel
David Duhe, Legal Counsel

Others: 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
Maurice Manuel, YAJV
Tom Wells, Waldemar S. Nelson & Co.
Damon Torricelli, Neel Schaffer, Inc.
Glenn Cobb, Pathways to the Port
Pastor Chris O'Brian, Seaman's International
Charlotte Miller, Hilton
Chris Williams, BMA Engineering
John Sneed, Stewart Sneed Hewes
James Crowell, NAACP
Bruce Newton, Digital Engineering
Todd Bradford, YAJV
Casey McConnell, YAJV
Brian Deschamp, Eustis Engineering
Lillian Jenkins, Horne
Casey Sanders, YAJV
Paula Volz, Courtyard Gulfport

Monica Allison, Courtyard Marriott
 Marcia Crawford, HCDC
 Bill Mitchell, BMA
 Mike Patorno, AECOM
 Ken Casey, City of Gulfport

Commissioner Knesal 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 Knesal.

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

PUBLIC COMMENTS:

Howard Page, Steps Coalition, had questions regarding the Northport property.

City Councilman Ken Casey commented on clearing the past and moving forward regarding his constituents and would not block any port progress that benefited his constituents, the city and his fellow community members.

Commissioner Rester moved to approve the February 23rd Minutes. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to approve travel (March 8-9/Daniels to Jackson, MS; March 16-18/Daniels to New York City, NY; April 19-20/Daniels to Cuba). Commissioner Simpson seconded and the motion was unanimously approved.

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

DISBURSEMENTS THROUGH MARCH 13, 2017
 BILLS FOR THE MONTHS OF FEBRUARY AND MARCH 2017 APPROVED AND PAID
 FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT GULFPORT

CHK#	VENDOR	DESCRIPTION	CHK AMT
51901	Neopost	Postage Machine Rental	140.18
51902	Barefield Workplace Solutions, Inc.	Office Supplies	132.81
51903	AT&T	Telephone Services	1,801.56
51904	Card Services	Travel Expenses	1,299.60
51905	Card Services	Travel Expenses	2,822.91
51906	Card Services	Office/Computer/Maint. Supplies	291.65
51907	Chancellor, Inc.	Bulbs/Connectors for Shed 50 & 53	2,357.32
51908	City of Gulfport	Water	14,171.32
51909	Sun Coast Business Supply	Office Supplies	382.65
51910	DSLbyAir, LLC	Install Cables at Scales for Internet	1,539.02
51911	Eagle Energy, Inc.	Grease for STS Cranes	944.55
51912	Emerald TC, LLC	Computer Services	185.00
51913	Federal Express Corp.	Express Mail Services	215.29
51914	Fred Pryor Seminars	Payroll Law Seminar	149.00
51915	Fuelman	Fuel for MSPA Vehicles	314.82
51916	Grainger, Inc.	Maintenance Supplies	467.29
51917	Gulf Coast Big Rig Truck Show	Sponsorship Supporting Veterans	250.00
51918	Logista	Computer Services	125.00
51919	Lowe's Home Center, Inc.	Maintenance Supplies	58.32
51920	MS Dept. of Human Services	Employee Deductions	156.00
51921	MS Gulf Resort Classic	2017 MS Gulf Resort Classic Sponsorship	7,500.00

51922	MS Power Company	Electricity	82,866.56
51923	MS Pub. Employees Credit Union	Employee Deductions	320.00
51924	MSPA Petty Cash Fund	Replenish Petty Cash	29.60
51925	Naylor, LLC	Advertising	2,649.50
51926	Paul Neumaier	Reimburse for Part for STS Crane	53.48
51927	Ports America, Inc.	Draying Dole Containers	27,227.80
51928	Redd Pest Solutions	Pest Control Services	90.00
51929	Rose Office Systems, Inc.	Construction Trailer Rentals	3,031.00
51930	Southern Admin. and Benefits	Monthly Service Fees	200.00
51931	Swetman Security Services, Inc.	Security Guard Services	49,865.56
51932	The Focus Group	Website Development	1,489.73
51933	United Way of South MS, Inc.	Boost Sponsorship	1,250.00
51934	WalMart Community	Supplies Donated to Tornado Relief	148.94
51935	Waste Management	Waste Removal Services	195.00
51936	Matthew Wypyski	Business Expense	130.21
CHECK DATED 2/23/17 AND RELEASED PRIOR TO SCHEDULED CHECK RUN			
51898	American Assoc. of Port Auth.	Registration for Legal Seminar	995.00
CHECK DATED 3/9/17 AND RELEASED PRIOR TO SCHEDULED CHECK RUN			
51899	Jonathan Daniels	Travel Expenses	921.42
CHECK DATED 3/10/17 AND RELEASED PRIOR TO SCHEDULED CHECK RUN			
51900	Matthew Wypyski	Travel Expenses	1,388.40
TRANSFERS			
3/3/17	Deferred Compensation	Employee Deductions	26,538.38
3/3/17	Federal Tax Deposit	Payroll Tax Deposit	1,445.00
3/6/17	Public Employment Retirement	Retirement Match and Withheld	48,532.46
Total			\$ 76,515.84

FINAL CHECKLIST FOR MARCH 23, 2017

BILLS FOR THE MONTHS OF MARCH AND APRIL 2017 APPROVED AND PAID

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

CHK#	VENDOR	DESCRIPTION	CHK AMT
51938	Kentwood Springs	Drinking Water	149.80
51939	AFLAC	Employee Deductions	1,282.84
51940	Kim Aguiard	Reimbursement for Supplies	33.42
51941	AirGas Gulf States	Oxygen Cylinder Rental	32.86
51942	All Signs, Inc.	Signs for North Port Project	120.00
51943	BH Specialized Hauling, LLC	Relocate 19 Light Poles to Inland Port	3,300.00
51944	Birmingham Rail & Locomo. Inc.	Gauge for Railroad Repairs	428.68
51945	Blossman Gas, Inc.	Propane/Recertification of Cylinder	73.00
51947	Burkhalter Rigging, Inc.	Relocate Top Hat for Construction	6,850.00
51948	Sun Coast Business Supply	Office Supplies	432.62
51949	Jonathan Daniels	Business and Travel Expenses	122.37
51950	State School Insurance Fund	Employee Deductions	13,641.22
51951	Federal Express Corp.	Express Mail Services	317.80
51952	Fuelman	Fuel for MSPA Vehicles	275.75
51953	Grainger, Inc.	Pavement Repair and Maint. Supplies	3,042.94
51954	Great Southern Club	Monthly Dues and Business Expenses	1,073.28
51955	Guardian	Employee Dental Deductions	1,332.17
51956	Gulf Coast Business Supply, Inc.	Office Supplies	33.93
51957	Harbor Square Parking Garage	Quarterly Parking	3,073.11
51958	Harbor Square Parking Garage	Quarterly Parking DRD	583.20
51959	Logista	Computer Equipment	2,215.00
51960	Isco Metals & Supply, LLC	Replacement Covers on Dock Pits	1,635.00
51961	Robert J. Knesal	Per Diem	80.00
51962	MS Dept. of Human Services	Employee Deductions	156.00

51963	MS Pub. Employees Credit Union	Employee Deductions	320.00
51964	MSPA Petty Cash Fund	Replenish Petty Cash	14.97
51965	Jack Norris	Per Diem	160.00
51966	Office Furniture Solutions, Inc.	Chairs/Desk Risers/Move 11 Offices	3,820.00
51967	Pass Road Mini Storage, LLC	Rental on Storage Unit	145.00
51968	Ports America, Inc.	Draying Dole Containers	21,015.42
51969	Legal Shield	Employee Deductions	30.91
51971	Kim Purchner	Reimburse for Office Decorations	70.28
51973	RJ Young Company, Inc.	Copier Maintenance Agreements	1,171.00
51974	Eluse J. Roberts	Per Diem	80.00
51975	Sorg Printing, LLC	Truck Scale Tickets	510.00
51976	James C. Simpson, Jr.	Per Diem and Travel Expenses	350.45
51977	Norma Jean Soroe	Transcription Fees	414.48
51978	Southern Admin. and Benefits	Monthly Service Fee	200.00
51979	Stewart Sneed Hewes, Inc.	Insurance	7,124.62
51980	The Sun Herald	Advertising	540.00
51981	Team Fusion Robotics	Gulfport High Robotics Club Sponsorship	500.00
51982	The Focus Group	Website Development	10,618.25
51983	Vision Service Plan	Employee Deductions	187.95
51986	ZA Construction, LLC	Repair and Re-Rail KCS Railcar	11,865.00

CHECK DATED 3/16/17 AND RELEASED PRIOR TO THE MEETING

51937	Badcock Home Furniture & More	Console Tables for Waiting Room	299.90
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TRANSFERS

3/16/17	MS Department of Revenue	February Sales Tax Payment	10,499.23
3/17/17	Deferred Compensation	Employee Deductions	1,445.00
3/17/17	Federal Tax Deposit	Payroll Tax Deposit	26,287.85
		Total	<u>\$ 137,955.30</u>

Commissioner Rester 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: Louis Smith Welding & Construction

Steamship Agent: Transmarine Navigation Corporation; Tricon Steamship Agency, Inc.

Stevedore: SSA Gulf

Commissioner Rester moved to approve the following progress payments: Balch & Bingham (\$44,465.55); BMA (\$16,746.00); Prism (\$48,725.00); QES (\$630.00); W.C. Fore Trucking, Inc. (\$275,275.99); and YAJV (\$97,662.33). Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Cash Request #163 – Anchor QEA (\$39,161.59); Atkins (\$23,166.06); Atwell & Gent (\$60,967.16); CH2MHill (\$226,070.29); Dan Hensarling (\$261,499.55); J.O. Collins (\$612,294.24); J.E. Borries (\$107,814.25); MSPA (\$88,552.17); Necaie Brothers (\$1,292,316.51); QES (\$12,440.62); RFB, LLC (\$3,612.50); Volkert, Inc. (\$15,086.54) and YAJV (\$292,028.50) for a sub-total of \$3,035,009.98. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Cash Request #164 to Neel Schaffer for \$138,611.40. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Simpson moved to table the authorization of the renumbering of SIC's Pay App #15 to RFC #165 (originally approved on 9/22/16) and the approval of RFC #166. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Knesal left the room for the following discussion and action.

Commissioner Rester moved to approve payment of \$12,116.13 to Eley, Guild, Hardy Architects under Cash Request #163. The total for Cash Request #163 is \$3,047,126.11. Commissioner Norris seconded and the motion was unanimously approved.

OLD BUSINESS:

Commissioner Rester moved to approve Amendment No.1 to Task Order No. 5 under Contract No. 016-HUD-031 with Eley Guild Hardy Architects. Amendment No. 1 adds \$21,008.00 and does not change the overall schedule. Commissioner Norris seconded and the motion was unanimously approved.

Commissioner Knesal returned to the meeting.

A financial progress report was given by CFO DeeDee Wood.

Commissioner Rester moved to approve Change Order No. 1 with Walters Diving and Marine, Inc. under Contract No. 017-EN-01. Change Order No. 1 increases the contract by \$287,619.50 with no change in schedule. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Change Order No. 2 with W.C. Fore Trucking, Inc. under Contract No. 015-EN-04. Change Order No. 2 decreases the contract by \$336.43 and is a summary close-out change order. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 5 to Task Order No. 17 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 5 adds 275 days with no change in scope or costs. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 4 to Task Order No. 37 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 4 de-obligates \$3,636.77 and all work is complete. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 2 to Task Order No. 38 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 2 adds 61 days and is retroactive to 2/28/17. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 9 to Task Order No. 22 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 9 adds \$56,284.60 with no change in scope or schedule. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 4 to Task Order No. 28 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 4 adds 275 days and does not change the overall scope or cost. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 5 to Task Order No. 30 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 5 adds 183 days and

does not change the overall scope or cost. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 2 to Task Order No. 43 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 2 de-obligates \$8,380.50 and all work is complete. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 2 to Task Order No. 44 with Neel Schaffer under Contract No. 010-HUD-001. Amendment No. 2 adds 59 days and does not change the overall scope or costs. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 3 to Task Order No. 14 with QES, Inc. under Contract No. 010-HUD-003. Amendment No. 3 de-obligates \$201.80 and all work is complete. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 4 to Task Order No. 9 with YAJV under Contract No. 010-HUD-006. Amendment No. 4 adds 198 days, does not change the overall scope or costs and is retroactive to 9/15/16. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 2 to Task Order No. 14 with Volkert, Inc. under Contract No. 010-HUD-007. Amendment No. 2 adds 65 days and does not change the overall scope or costs. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Amendment No. 1 to Task Order No. 13 with Atwell & Gent, P.A. under Contract No. 010-HUD-013. Amendment No. 1 de-obligates \$3,622.88 and all work is complete. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Change Order No. 1 to Contract No. 017-HUD-039 with J.O. Collins, Inc. Change Order No. 1 adds \$8,453.40 with no change in schedule. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Amendment No. 2 with RFB, LLC. under Contract No. 013-HUD-017. This Amendment exercises the final one year extension. Commissioner Simpson seconded and the motion was unanimously approved.

NEW BUSINESS:

Commissioner Rester moved to approve Task Order No. 49 with Neel Schaffer under Contract No. 010-HUD-001. Task Order No. 49 has duration of 270 days and a not to exceed amount of \$138,897.00. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Task Order No. 18 with Atwell & Gent under Contract No. 010-HUD-001. Task Order No. 18 has duration of 270 days and a not to exceed amount of \$27,600.00. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve Task Assignment No. 9 with Brown, Mitchell & Alexander under Contract No. 013-EN-02. Task Assignment No. 9 has a not to exceed amount of \$91,145.00. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Task Order No. 26 with YAJV under Contract No. 010-HUD-006. Task Order No. 26 has duration of 175 days and a not to exceed amount of \$115,000.00. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Rester moved to authorize the issuance of an RFP for IT Services and Support. Commissioner Simpson seconded and the motion was unanimously approved.

PORT RESTORATION UPDATE:

The Phase 2 Sitework and Utilities project with Necaize Brothers is beginning to see significant progress on several work fronts. The contractor is continuing to install fill in multiple locations in terminal 2 and 3; is installing duct banks and electrical components and is continuing to demo asphalt and concrete pavement. They should begin placing base and asphalt in several areas in the next two months.

On the Terminal 2 M&R project with Dan Hensarling, they have been installing purlins and girts on both the M&R and gate, formed the top of the elevator shaft and are preparing to pour concrete on the mezzanine and second floor of M&R. Carey Construction has erected the remainder of the M&R building structural steel and is completing the welding. Allen Plumbing is well underway installing oil water and air piping throughout M&R. Moody Electric is also well underway installing electrical conduit throughout M&R and the gate and installing lightning protection around M&R.

On the North Harbor – West Project, Necaize Brothers has removed all concrete and existing electrical items. They are in the process of removing the old asphalt pavement, which is approximately 40% complete as of today’s date. Storm drain structures are being manufactured, and in the coming month the contractor will be installing electrical duct banks and storm drain piping and structures.

On the Small Craft Harbor Landside Improvement Project, Necaize Brothers is completing all new storm drains and utilities (with the exception of the storm bore) and has begun to make grade in the parking lot.

Foundation excavation on the Marine Research Building by Wharton-Smith will be complete by Friday, and the contractor will begin forming pile caps and grade beams. This project is progressing on schedule.

J.O. Collins, contractor for the Terminal 1 M&R project has auger cast pilings complete; Concrete footings – 80% complete; Water and storm drains complete at building; Sewer 25% complete; and Storm drain piping complete at the gate.

We are awaiting final permits for the Barge Mooring Facility project.

There are currently 2 projects out for Bid - Phase 3 project and the Perimeter Landscape project.

OPERATIONS REPORT:

Matthew Wypyski, Chief Operating Officer, reported on the maritime activity for February:

Vessels	25		Vehicles	1,407
Tugs	7		Railcar Count	783
Barges	18		TEU’s	16,870
			Tonnage (short tons)	227,287

It has been over a year since the cranes were delivered. February marks 7 full months of operations and we are happy to report that the cranes have been up and running 99% of the time. This is exceptional and Crane Manager Chuck Graham and his staff were acknowledged. Also, the old silos have been on the port for over 40 years. They are currently empty and will be taken down very soon – an important milestone.

EXECUTIVE DIRECTOR'S COMMENTS:

Director Daniels welcomed everyone to the newly renovated Board Room and reported that the 14th floor is now a fully secure workplace for MSPA employees.

A community workshop was held this week regarding plans for the Northport property. There were approximately 84 people in attendance and many questions were answered.

We are currently mid-construction on pavement for the north harbor and for the marine research facility. Also, the DMR oyster hatchery is underway.

GENERAL COUNSEL'S COMMENTS:

Ben Stone reported that we have been very busy with a number of challenges with potential litigation. He thanked the MSPA staff for their support.

MDA'S COMMENTS:

Philip Carter had no comments.

COMMISSIONER COMMENTS:

Commissioner Simpson applauded MSPA staff for the recent Community Meeting and encouraged them to continue to be transparent. He is excited that we will build back a freezer and continues to support the port in the utilization of the Northport property. If we can't use it, we will sell it and it could possibly be bought by a private interest.

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

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

(THE BOARD OF COMMISSIONERS ENTERED INTO EXECUTIVE SESSION AT APPROXIMATELY 9:50 A.M.)


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

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

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

The meeting adjourned at approximately 10:30 a.m.

Approved and Attested



Robert J. Knesal
President



John Rester
Secretary