

MISSISSIPPI PORT AUTHORITY
BOARD OF COMMISSIONERS
REGULAR MEETING

August 26, 2020

Minutes of the Mississippi State Port Authority Board of Commissioners Meeting,
Thursday, August 26, 2020 at 2510 14th Street, Suite 1450, Gulfport, Mississippi at which
the following Commissioners and staff were present:

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

Staff: Matthew Wypyski, Deputy Director/COO
 Kim Purchner, Executive Asst./HRO
 John Webb, Director of Engineering
 Nick Foto, Deputy Program Manager
 DeeDee Wood, CFO
 Errol LaRue, Govt. & Legal Affairs Manager
 Shawn Meyer, Director of Operations
 Kim Aguillard, Marketing & Media Manager
 Carlos Bell, Director of Public Engagement
 Allison Chimenya, Marketing Specialist
 Mel Arsenault, Director of Workforce/Grant Development

 Mark Bond, Legal Counsel

Others: Philip Carter, MDA (via phone)
 Brian Smith, Watkins Eager (via phone)
 Michael Sheely, Jacobs Engineering
 Greg Schruff, SSA (via phone)
 Bruce Newton, Digital Engineering

Commissioner Norris noted the presence of a quorum and called the meeting to order at approximately 10:00 a.m.

The Pledge of Allegiance was led by Commissioner Norris.

The invocation was led by Carlos Bell, MSPA.

PUBLIC COMMENTS:

There were no public comments.

Commissioner Rester moved to approve the August 18th and July 28th Minutes.
Commissioner Knesal 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 AUGUST 17, 2020

BILLS FOR THE MONTHS OF JULY AND AUGUST 2020 APPROVED AND PAID
FROM THE GROSS REVENUE FUND OF THE MS STATE PORT AUTHORITY AT
GULFPORT

CHK #	VENDOR	DESCRIPTION	CHK AMT
56182	ABB, Inc.	Repairs and Parts for Cranes	17,710.96
56183	Advanced Collision	Unit #4 Front Bumper Repair	690.40
56184	AFLAC	Employee Deductions	1,783.42
56185	AirGas Gulf States	Acetylene, Oxygen and Argon Cylinder Rentals	110.75
56186	All Safe Technologies, LLC	Fire Alarm Monitoring	159.80
56187	Melanie J. Arsenaault	Emergency Storm Shelter Expenses	100.47
56188	Paul D. Jamerson	Light Fixtures for Guard Shack	4,464.00
56189	B.E.A.R.	Repair of Gantry Motor on Crane #3	4,860.00
56190	Butch Oustalet Ford, Inc.	2020 Ford Explorer	27,672.00
56191	Sparklight	Internet Services	91.18
56192	Card Services	Maintenance Supplies, Subscription Renewals & Video Accessories	1,945.43
56193	CenterPoint Energy	Gas Line Installation	2,572.00
56194	Sun Coast Business Supply	Office Chair and Supplies	270.34
56195	Collection Services Center	Employee Deductions	90.06
56196	Cornett Bolt & Screw	Parts for Pier Bollards	719.16
56197	Cresco Inc.	Chiller Repair	955.60
56198	C Spire Wireless	Cellphone Services	1,099.15
56199	C Spire Business Solutions	Telephone and Internet Services	2,960.01
56200	Dept. of Finance & Admin.	MMRS Quarterly Charges	222.25
56201	Eagle Energy, Inc.	Diesel Fuel	1,030.96
56202	E Fire Southern, Inc.	Fire Extinguisher Inspections	940.10
56203	Federal Express Corp.	Express Mail Services	63.86
56204	Foliage Design Systems, Inc.	Interior Plant Maintenance	253.78
56205	Fuelman	Fuel for MSPA Vehicles	414.92
56206	Great Southern Club	Monthly Dues	90.00
56207	Gulfport Yacht Club	Business Expenses	72.91
56208	MS State Treasurer Fund 3360900000	Telephone and Internet Services	182.32
56209	Isco Metals & Supply, LLC	Steel and Metal for Welding Repairs	2,172.00
56210	Newell Paper Co.	Janitorial Supplies	170.50
56211	Keeling Co. - Gulfport	Maintenance Supplies	762.08
56212	Lowe's Home Center, Inc.	Siding and Maintenance Supplies	565.34
56213	Maritime Defense Strategy, LLC	Consulting Services	3,650.00
56214	Mississippi Utilities Supply	Supplies for Water Line Repair	227.08
56215	MS Department of Revenue	Tag for Port Vehicle	12.00
56216	MS Dept. of Human Services CRDU	Employee Deductions	156.00
56217	MS Power Company	Electricity	131,370.02
56218	MS Pub. Employees Credit Union	Employee Deductions	320.00
56219	MS Water Resources	Membership Dues	600.00
56220	NAVEX Global, Inc.	Report Line Annual Service Fee	810.34
56221	Necaise Locksmith	Entry Lever Lock	185.00
56222	United Rentals (North America), Inc.	Man Lift Repair	759.90
56223	Odgers Berndtson, LLC	Executive Director Search Retainer and Support Expenses	62,933.32
56224	Pass Road Mini Storage, LLC	Storage Unit Rent	335.00
56225	Gary Pitcovich	Tuition Reimbursement	1,345.93
56226	Legal Shield	Employee Deductions	158.46
56227	Ray Weaver	Electrical Services	551.30
56228	RJ Young Company, Inc.	Copier and Printer Maintenance	1,516.18
56229	Sam's Club	Membership Dues	45.00

56230	Sorg Printing, LLC	Office Supplies	275.00
56231	Norma Jean Soroe	Transcription Services	519.48
56232	Southern Admin. and Benefits	Monthly Service Fee	200.00
56233	SunSouth, LLC	Repair Parts for Rotary Cutter	414.91
56234	Swetman Security Services, Inc.	Security Guard Services	65,812.47
56235	Texas Association of School Boards	Boardbook Subscription and Support	5,333.00
56236	United Way of South MS, Inc.	Employee Deductions	332.02
56237	Waste Management	Waste Removal Services	1,432.83
56238	DeeDee Wood	Registration Fees for CPA Continuing Education	175.00
56239	Zoro Tools, Inc.	Safety and Maintenance Supplies	2,421.82
56240	CenterPoint Energy	Natural Gas Services	27.92

CHECK DATED 07/28/20 AND RELEASED PRIOR TO SCHEDULED CHECK RUN

55831	Monster Subs & Sandwiches, Inc	BOC Meeting	46.44
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TRANSFERS

08/03/20	Public Employment Retirement	Retirement Match and Withheld	104,984.71
08/05/20	Federal Tax Deposit	Payroll Tax Deposit	43,211.33
08/10/20	MS Department of Revenue	Employee Deductions	14,598.00
08/14/20	Deferred Compensation	Employee Deductions	957.50

Total \$520,913.71

FINAL CHECKLIST FOR AUGUST 26, 2020

BILLS FOR THE MONTHS OF JULY AND AUGUST 2020 APPROVED AND PAID

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

CHK#	VENDOR	DESCRIPTION	CHK AMT
56241	Kentwood Springs	Drinking Water	300.00
56242	AGJ Systems & Networks, Inc.	Dell Laptop Computer	925.00
56243	AT&T Corp	Website Hosting	89.96
56244	Sparklight	Cable Services	161.42
56245	Collection Services Center	Employee Deductions	90.06
56247	Federal Express Corp.	Express Mail Services	103.61
56248	Fuelman	Fuel for MSPA Vehicles	326.41
56249	Guardian	Employee Deductions	1,591.90
56250	Hancock Bank	September Lease for Suite 1450	24,579.26
56251	Robert J. Knesal	Per Diem	40.00
56252	MS State Agencies S/I Workers Comp Trust	FY21 Workers Compensation Insurance	28,652.00
56253	The Mississippi Bar	Bar Dues for Errol LaRue	190.00
56254	MS Dept. of Human Services CRDU	Employee Deductions	156.00
56255	MS Pub. Employees Credit Union	Employee Deductions	320.00
56256	MSPA Petty Cash Fund	Replenish Petty Cash	77.95
56257	Jack Norris	Per Diem	40.00
56258	Redd Pest Solutions	Pest Control Services	90.00
56259	Eluse J. Roberts	Per Diem	40.00
56260	James C. Simpson, Jr.	Per Diem	40.00
56261	BXS Insurance, Inc.	Insurance	1,442,846.80
56262	Swetman Security Services, Inc.	Security Guard Services	32,813.14
56263	Vision Service Plan	Employee Deductions	197.07
56266	Weaver Electric	Electrical Services	3,903.50
TRANSFERS			
08/18/20	MS Department of Revenue	Sales Tax Payment	12,706.48
08/19/20	Federal Tax Deposit	Payroll Tax Deposit	22,940.93
Total			<u>\$1,573,221.49</u>

Commissioner Rester 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: Atlas Ship Services, Inc.; Wilhelmsen Ship Service
- Steamship Agent: Host Agency, LLC (formally T. Parker Host); Page & Jones, Inc.; Revelle Shipping Agency, Inc.
- Apprentice Pilot: Ken Skrmetta

Commissioner Rester moved to approve the following progress payments: Balch & Bingham (\$162,816.97), Digital Engineering (\$95,013.50) and G.A. West & Co. (\$197,237.10). Commissioner Knesal seconded, and the motion was unanimously approved.

Commissioner Simpson moved to approve Cash Request #272 to CH2MHill (\$37,307.98); Eley Guild Hardy (\$54,272.50); and MSPA (\$21,628.91) for a total of \$113,209.39. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Rester moved to approve Cash Request #273 to MSPA for a total of \$42.94. Commissioner Simpson seconded and the motion was unanimously approved.

Commissioner Knesal moved to approve Cash Request #274 to Wharton Smith for a total of \$960,691.49. Commissioner Rester seconded and the motion was unanimously approved.

Commissioner Simpson moved to approve payment of Cash Request #275, per MSPA Resolution No. 20-04. Commissioner Rester seconded and the motion was unanimously approved.

NEW BUSINESS:

A discussion took place regarding a possible agreement with National Oceans and Applications Research Center (NOARC).

PORT RESTORATION/ENGINEERING UPDATE:

John Webb and Nick Foto gave status updates on current restoration and engineering projects.

OPERATIONS REPORT:

Shawn Meyer, Director of Operations reported on the maritime activity for the month of July:

Vessels	15		Vehicles	8,535
TEU's	13,191		Railcar Count	376
Tonnage (short tons)	146,218			

The TEU count represents a 25% decrease from July of 2019 and the Tonnage Count is a 12% decrease from July of 2019.

MDA'S COMMENTS:

Philip Carter had no comments.

GENERAL COUNSEL'S COMMENTS:

Mark Bond had no comments.

COMMISSIONERS' COMMENTS:

There were no Commissioners' Comments.

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

Commissioner Rester moved to enter into Executive Session to discuss legal matters (existing lease) and a personnel matter. Commissioner Knesal seconded and the motion was unanimously approved.

(THE BOARD OF COMMISSIONERS ENTERED INTO EXECUTIVE SESSION AT APPROXIMATELY 10:20 A.M.)

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

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

Commissioner Rester moved to adjourn.

The meeting adjourned at approximately 11:50 a.m.

Approved and Attested



Jack Norris
President



Robert J. Knesal
Secretary

RESOLUTION NO. 20-04

RESOLUTION OF THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT

The Board of Commissioners of the Mississippi State Port Authority at Gulfport (the "Port Authority") took up for consideration, pursuant to the terms and conditions of that certain confidential Settlement Agreement and Release ("Settlement Agreement"), the following resolution pertaining to the compromise and settlement of claims and rights by and between the Port Authority, Southern Industrial Contractors, LLC, a Louisiana limited liability company, together with its successors and assigns ("SIC") and Travelers Casualty and Surety Company of America, together with its successors and assigns ("Travelers") (the Port Authority, SIC and Travelers collectively the "Parties"), relating to the construction of West Pier Facilities, including the Transit Shed, Terminal Administration, and Terminal Gate House (Buildings 3, 5.3 and 9) ("Project 305" or the "Project") and the litigation pending in the Circuit Court of Harrison County, Mississippi, First Judicial District, case name "*Southern Industrial Contractors, LLC v. Mississippi State Port Authority*" Case Number: 24CI1:19-cv-00019, involving claims and counter-claims by and between SIC, the Port Authority and Travelers (hereinafter the "State Litigation"). Thereupon, Commissioner Simpson offered and moved the adoption of the following resolution:

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF
THE MISSISSIPPI STATE PORT AUTHORITY AT GULFPORT
APPROVING AND AUTHORIZING THE EXECUTION OF THE
SETTLEMENT AGREEMENT AND RELEASE RELATING TO PROJECT 305**

WHEREAS, the Port Authority is an agency of the State of Mississippi charged with the responsibility of managing/operating the State's only deep-water port located at Gulfport, Mississippi; and

WHEREAS, the Mississippi Development Authority ("MDA") is an agency of the State of Mississippi charged with the responsibility of administering Hurricane Katrina disaster recovery programs which are funded by Community Development Block Grant ("CDBG") funds and overseen by the United States Department of Housing and Urban Development ("HUD"); and

WHEREAS, on January 2, 2009, MDA entered into a Katrina Supplemental CDBG Subgrant Agreement with the Port Authority, identified as POG R115-06-02, to facilitate the restoration of the Port of Gulfport's public infrastructure and publicly owned facilities that were destroyed by Hurricane Katrina and provide for the long-term recovery of the operating capacity of the Port at Gulfport; and

WHEREAS, on July 25, 2014, the Port Authority entered into a contract with SIC, Agreement No. 015-HUD-025 in the original amount of \$47,037,840.25 (the "Contract" or "Contract Documents"), for Project 305; and

WHEREAS, the Performance and Payment Bonds, both bearing Bond No. 106089918 ("Bonds"), procured by SIC for Project 305 were issued by Travelers; and

WHEREAS, on August 6, 2015, the Port Authority and SIC entered into Change Order No. 1 for the performance of certain excavation and related activities as specified in the change order and, as a result thereof, the Port Authority and SIC increased the Contract amount to \$51,366,112.66; and

WHEREAS, Project 305 was originally required by the Contract to be substantially complete on or before March 21, 2016; and

WHEREAS, various disputes arose among the Parties prior to completion of the Project and the State Litigation was initially commenced on November 17, 2016 in the First Judicial District of Hinds County, Mississippi, and, following a transfer to the First Judicial District of Harrison County, Mississippi, has proceeded to date; and

WHEREAS, the Port Authority, SIC and Travelers have asserted various claims, counter-claims, defenses and rights against each other relating to the Project and the Bonds in the State Litigation; and

WHEREAS, the Port Authority is expressly authorized by Miss. Code Ann. § 59-5-37(1) to “sue and be sued in its own name” and inherent in the right to sue and be sued is the right to resolve and settle all claims and disputes in efforts to avoid the necessity, expense, inconvenience, and uncertainty of litigation; and

WHEREAS, the Parties desire to avoid the necessity, expense, inconvenience, and uncertainty of litigation and to resolve and settle all claims and disputes between them on the terms set forth in that certain confidential Settlement Agreement attached hereto as **Exhibit “1”** and fully incorporated into the official minutes of the Port Authority by this reference; and

NOW, THEREFORE BE IT RESOLVED, that the Port Authority hereby acknowledges, approves, authorizes, and affirms (i) the execution of the confidential Settlement Agreement and (ii) the taking of other such actions necessary or desirable in connection with the matters contemplated in the confidential Settlement Agreement in order to facilitate the resolution of claims and disputes between the Parties as contemplated therein.

BE IT FURTHER RESOLVED, that the previous termination for fault or default of SIC from the Project is hereby rescinded and converted to a termination for convenience.

BE IT FURTHER RESOLVED, that the Chairman of the Board of Commissioners of the Port Authority are hereby authorized to execute, deliver, and record additional documents as may be reasonably necessary and appropriate and to take all other reasonably necessary action to carry out the provisions of this Resolution.

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

Commissioner Jack Norris:

Voted:

Aye

Commissioner E.J. Roberts:

Aye

Commissioner John Rester:

Aye

Commissioner Bobby Knesal:

Aye

Commissioner James C. Simpson, Jr.:

Aye

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 18th day of August, 2020.



BOARD PRESIDENT

