



PO Box 1358, Harbour Drive, Grand Cayman, KY1-1108, Cayman Islands
(345) 949 2055, Fax (345) 949 5820

Minutes of the 378th Meeting of the Board of Directors of the Port Authority of the Cayman Islands held at the Port Authority office on 45 Harbour Drive, George Town, Grand Cayman at 1305 hours on Wednesday April 29, 2015.

- **Member Present:**

Mr. Errol Bush MBE – Chairman
Mr. Gerald Kirkconnell – Deputy Chairman
Mr. James C. Parsons, Jr – Secretary
Mr. Ashton Bodden, JP
Dr. Dalton Watler, PhD. – (Ministry of DATT)
Mr. Woodward DaCosta
Mr. Arek Joseph
Mr. Michael Nixon – (Ministry of Finance)
Ms. Jacqueline Scott
Mr. Robert Foster
Mr. Randy Whittaker – (Customs)

- **Apologies:**

Stran Bodden, JP

- **Attending Meeting:**

Clement Reid – Deputy Port Director Operations
David Carmichael – Caribbean Marine Services
Adrian Briggs – Caribbean Marine Services

- **Notice and Quorum:**

The Chairman noted that due notice of the meeting had been given to all Members and a quorum existed. Accordingly, the Meeting could proceed.

1. **Welcome and call to order:**

The Chairman welcomed Members.

2. **Confirmation of minutes:**

- a. Minutes for meeting # 370 were approved by the Board and a motion to accept the minutes were moved by Gerald Kirkconnell and seconded Robert Foster.
- b. Minutes for meeting # 371 were approved by the Board, with one correction to page 3 bullet point 6 (a) that should read “a part” and not “apart”: A motion



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to accept the minutes were moved by Woodward DaCosta and seconded by Arek Joseph.

- c. Minutes for the meeting # 375 were approved by the Board and a motion to accept the minutes were moved by Michael Nixon and seconded Ashton Bodden.
- d. Minutes for meeting # 376 were approved by the Board and a motion to accept the minutes were moved by Woodward DaCosta and seconded Robert Foster.
- e. Minutes for meeting # 377 were approved by the Board and a motion to accept the minutes were moved by Arek Joseph and seconded Jacqueline Scott.

3. Matters arising from Previous Minutes:

None noted.

4. Company Representatives of Caribbean Marine Services:

The Chairman welcomed Mr. David Carmichael and Mr. Adrian Briggs of Caribbean Marine Services [CMS] to the meeting. A discussion ensued as to the function of CMS in relation to the cruise business.

- a. CMS provides tendering services for Carnival, RCCL, and Disney Ships exclusively. But does assist other companies upon requests.
- b. CMS has been spoken to on the planning of piers and have been asked to comment on what effect the building of piers would have on their business.
- c. CMS has a direct line of communication with the Ministry of DAT&T on the building of piers.
- d. Because of the uncertainty as to the effects piers would have on CMS's business they aren't sure if they will make an investment of \$6 million to purchase 6 new tenders to meet the demand for bigger tenders with top deck loading.
- e. CMS says that with the piers they would lose 80% of their business and to lose that much business it wouldn't profit them to remain in business. This has been substantiated in the Outline Business Case (OBC) that was prepared by PWC.
- f. As to the Oasis Ships, they can be tendered using Top Deck loading tenders. The major problem is that the ship would need onshore passenger security clearance.
- g. CMS main concern is the timing of the project which will allow them time to plan winding down the company due to the loss of business.

5. Update on Cruise Berthing Project:

- Deferred to the next regular meeting.

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6. Update on Spotts Landing:

- a. The Board was apprised of the progress on repairs to the parking lot. Bids were received and an in-house Tender Committee would be formed to review the bids. Upon review of the bids and a contractor would be chosen by the Committee, the Board will be notified of the Committee's decision.

7. Update on parking Lot in Rock Hole and Tower Building site:

- a. Report on findings form part of minutes. No decision was taken yet on either parcel of property.
- b. Board wishes for Executive Management to find out from Lands and Survey whether or not the Rock Hole property, Block 14CF Parcel 214, is attached to a building.
- c. Board wishes for Executive Management to further investigate parking lots in other areas of Rock Hole, specifically, Block 14BG Parcel 102 and Block 14BG Parcel 49 and report back to the Board.

8. Publication of an Annual Report:

A discussion ensued and the Board asked that Executive Management look into publishing an annual report for the PACI. This report must describe the functions of the Port, the progress the Port has made over the years and the responsible parties for the operations amongst out facts about the Cargo and Cruise Operations.

9. Board Resolution for CNB:

The Board approved the following Resolutions:

a. Removal of Authorized Signatory for Cayman National Bank, Ltd

It is Resolved, that Paul W. Hurlston be hereby removed from all bank accounts, documents, et al, which relate to the Port Authority of the Cayman Islands, which is owned by the Cayman Islands Government.

b. Additional Authorized Signatories for Cayman National Bank, Ltd

It is Resolved, that James C. Parsons, Jr. and Myra Ryan is hereby authorized to sign on all bank accounts, documents, et, al which relate to the Port Authority of the Cayman Islands, which is owned by the Cayman Islands Government.

This resolution shall be valid and effectual if in like form, duly signed by the Chairman of the Authority whose name is set out below and shall be deemed to be passed on the latest dated specified below.

10. Current Wages and Salary Bands:



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Board noted the bands.

11. Amended Ownership Agreement for 2016 fiscal year:

The Board of Directors was apprised of the change in the 2016 Budget which forms a part of the Ownership Agreement between the Cabinet of the Cayman Islands Government and the Port Authority Cayman Islands and after a short discussion it was resolved that the Chairman be given approval to sign the agreement.

The Board of Directors wish to have it recorded in the minutes that they are of the opinion that when a Budget document is approved at a Board meeting any subsequent changes to that document must be brought to their attention for the entire Board to ratify prior to a revision being made and not revised from the ministerial level and ratification sought after the fact. This could only be proper protocol to follow since the Board is tasked with the governance of the Port Authority.

12. Financial Report for the 3rd Quarter for the PACI:

- a. The Financial statements along with the report on the Port finances were presented to the Board of Directors by the Acting Port Director and a short discussion ensued and the members were apprised of the following:
 - (i) Port finances have improved by \$655k over the same period last year which gives credence to the prudent spending and an uptick in cruise business.
 - (ii) Grand Cayman continues to account for the improvement in finances as Cayman Brac continues to depend on the financing from GCM for its survival.
 - (iii) For the period being reported on, GC posted a Net Income of \$3,077,299 and CB posted a Net Loss of (\$455,379) for a consolidated Net Income of \$2,621,920.
 - (iv) Should the current business trend continue for the next quarter the Profits for 2015 would outshine the actual for 2014 and the anticipated actual or 2015.
- b. The Board of Directors was presented with a paper on the benefits on early retirement of the Loan for the West Bay Cruise Terminal. It was noted that a savings on Interest charges and Bank Review Fees totalling \$20,000 would be realized over the next 27 months. Furthermore, there would be a savings in cash outlay on principal payments of US\$7,400 per month. A short discussion ensued and it was resolved that a letter signed by the Chairman and the Secretary under seal, be sent to RBC Royal Bank of Canada to convey the retirement of said debt effective upon receipt of the letter.



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Other Business:

- a. Board noted the Report on Cargo Operations.
- b. Board noted the Report on Cruise & Security Operations.
- c. Board noted the Report of the Acting Port Director.
- d. The Board of Directors unanimously agreed to maintain their policy of NO Sponsorship. Therefore, the request for sponsorship participation in the Cayman Airways Invitational U-15 soccer Youth Cup was not approved.
- e. The Board of Directors Agreed to formalize the usage of the snow-cone cart that is currently in place at the Royal Watler Terminal and owned by Ms. Caren Wight. It was further Agreed that she would pay a \$500.00 up-front fee and upon expiration her existing Lease it would be amended to reflect usage of the cart and would attract the requisite fees.
- f. A discussion ensued on a request from Kevin Doyle of Island Restaurants Ltd, to have his rental payments reduced and an extension of 5 years to his now expired lease. It was Resolved that they would not reduce or increase his rent and his lease will be renewed for 1 year and for annually thereafter providing the proposed piers at the RWCT is not in the construction phase that requires the terminal to be closed down.
- g. The Board, with the exception of Gerald Kirkconnell who recused himself from the meeting, reviewed a letter from Neil de Vere of Ktone requesting permission to use his Kiosk from an information booth to also sell T-shirts and other merchandise. His request was denied based on his current License which prohibits any such changes.
- h. The Board, with the exception of Gerald Kirkconnell who recused himself from the meeting, reviewed a letter from Pizza Hut requesting permission to operate a Kiosk at the RWCT to sell Pizza and sodas under the Brand name Pizza Hut. Request was granted contingent on the Pizza Hut receiving the necessary licenses to sell food. They must obtain a TBL for the location, Approval from the DEH and must have in place a Public Liability Insurance policy of not less than \$500,000 and must indemnify the Port Authority.
- i. The Board of Directors were informed on the receipt of the "Certificate of Port Facility Security Plan Approval" for Grand Cayman, Cayman Brac and Spotts. This certification is completed and issued by the Department



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for Transport of the Government of the United Kingdom of Great Britain
and Northern Ireland.

- j. The Board of Directors wish to have a letter written to the Commissioner of Police under Section 163 of the Penal Code for assistance with the removal of illegal vendors that operate on Harbour Drive.

Adjournment:

There being no further business the meeting was adjourned at 1655 hours until the next regular meeting.

Handwritten signature of Errol Bush in black ink.

Errol Bush - Chairman

Handwritten signature of James V. Parsons, Jr. in black ink.

James V. Parsons, Jr. – Secretary

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