

BOARD OF DIRECTORS MEETING
Port Authority of the Cayman Islands
45A Harbour Drive
November 18, 2015
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A meeting of the Port Authority of the Cayman Islands Board of Directors was held on Wednesday, November 18, 2015 at the Port Administration Building, 45A Harbour Drive, Grand Cayman, Cayman Islands. Chairman Errol Bush called the meeting to order at 1:10 p.m. and welcomed all attendees.

- **Board Member Attending:**

- Mr. Errol Bush, MBE – Chairman
- Mr. Gerald Kirkconnell – Deputy Chairman
- Mr. Ashton Bodden, JP
- Ms. Jacqueline Scott
- Mr. Robert Foster
- Mr. Arek Joseph, OBE
- Mr. Woodward DaCosta
- Mr. Randy Whittaker – (Customs)
- Mr. Clement Reid – Secretary

- **Other Attendees:**

None

1. **Apologies for Absence(s):**

- Mr. Michael Nixon – (Ministry of Finance)
- Mr. Stran Bodden, JP – (Ministry of DATT)

2. **Confirmation of minutes:**

Minutes for Meeting # 385 were approved by the Board and a motion to accept the minutes was moved by Ms. Jacqueline Scott and seconded by Mr. Ashton Bodden.

Minutes for Meeting #386 were deferred.

3. **Declaration of Conflict of Interest:**

None Noted.

4. Matters arising from Previous Minutes:

- (a) **Spotts Terminal Upgrades:** - Members were apprised of the progress of the work being carried out to upgrade the Spotts Landing facility. The tender for these upgrades is scheduled to be advertised the week of November 23rd, 2015.

Electratech was awarded the contract to procure and install CCTV cameras on the terminal building following a competitive tender.

- (b) **Rental to West Indian Marine (WIM):** - WIM Marine has responded to PACI's request to have the License Agreement executed as drafted. They are not in agreement with having to pay rent on an annual basis and would prefer monthly. Also they are disputing the requirement of a deposit equivalent to two months' rent.

- (c) **IT Audit:** - KPMG have completed the IT Audit Assessment minus reviewing the web portal which is being redeveloped by NetClues. It is anticipated that the website will go live in a few weeks at which time KPMG would be in a position to complete their audit.

5. Port Director's Monthly Report:

- (a) **PD Report:** - The full report forms part of these Minutes.

- (b) **Operations Report:** - The month of October saw 18 cargo ships trading and making 40 port calls. There was a 50.0% and 29.0% change respectively when compared to the same period last year. Cargo tonnage increased by 31.8% and as a result the tons of cargo handled per hour increased by 65.3% compared to the same period last year. West Indian Marine (WIM) engaged in two separate Ship to Ship (STS) of Liquefied Propane Gas (LPG) October 22nd to November 17, 2015. The full report forms part of these minutes.

- (c) **Security and Cruise Report:** - Cruise arrivals also decreased by 5% from 425,551 passengers for the first four months of the fiscal year 2015 to 402,990 passengers for the first four months of fiscal year 2016. The four month income from cruise passengers for the period July to October declined from \$1,046,851 in 2014 to \$ 991,355 in 2015, or 5%. Budgeted income from cruise passenger fees also underperformed by \$485k or 33%. However the future outlook seems positive based on the increased bookings projected by the cruise lines.

(d) Annual Financial Statements: - The Port Authority's financial performance for the four months ended October 31 2015 shows an improved result over 2014. The PACI recorded a profit of \$1.57M for the four month period in comparison with \$620k for the period July to October 2014, and the four month budgeted profit of \$972K. This is an improvement over 2014 of \$956K or 154%. This was mainly due to the result of increased cargo activity over the previous financial year. This is consistent with cargo income increase of 12% for the comparative period, with overall gross income increasing by 8%.

6. Update on Cruise Berthing Project: - Deferred to next meeting.

7. Update on various areas:

(a) Tower Building Site Agreement with L & S: – The site is currently being made ready to receive vehicles for ground transportation and parking for the tenants at RWCT. A request will be sent to Mr. Tristan Hydes in the Ministry of PLAHI to give an update on government's future plans for this site.

(b) CDC Pavement Refurbishment: - APEC Consulting Engineers are producing the Master Plan for the Cargo Distribution Centre. The Master Plan will have the project divided in phases for construction with Phase I being the paving of the area commonly referred to as "the pit" and the installation of storm water drainage, CCTV and lighting.

(c) HD Cargo Dock Pavement Refurbishment: - APEC Consulting Engineers have advertised the tender for this repair and the due date for submission is November 27th, 2015.

(d) IT Audit: - KPMG have completed the IT Audit Assessment minus reviewing the web portal which is being redeveloped by NetClues. It is anticipated that the website will go live in a few weeks at which time KPMG would be in a position to complete their audit.

(e) Rental to West Indian Marine (WIM): - WIM Marine has responded to PACI's request to have the License Agreement executed as drafted. They are not in agreement with having to pay rent on an annual basis and would prefer monthly. Also they are disputing the requirement of a deposit equivalent to two months' rent.

Members Agreed to amend the Agreement to monthly payments and only request a deposit equivalent to one month's rent.

8. Actuarial Valuation Report – Post Retirement Healthcare Benefits:

Members Agreed to defer the report pending a meeting that is being arranged through the Deputy Premier with the Minister of Finance to formulate a plan on addressing this issue.

9. Other Business:

- (a) Signage Upgrade at RWCT: - Shopping directory signs will be placed in the courtyard. Additional directional signage to be installed.
- (b) The annual American Association of Port Authorities (AAPA) Convention was held in Miami, FL from November 2-4, 2015. PACI was represented at this event by Mr. Errol Bush, Mr. Gerald Kirkconnell, Mr. Woodward DaCosta, Mr. Clement Reid and Mr. James Parsons.
- (c) The annual Christmas Staff Party will take place on December 4th, 2015. This year the party will be held at the Whitehouse in Bodden Town. Attending the event will be Members and staff of PACI together with their spouses and guest.

Adjournment:

There being no further business the meeting was adjourned at 1410 hours until the next regular meeting.



Errol Bush - Chairman



Clement Reid – Secretary