



# CAYMAN PORT

**BOARD OF DIRECTORS MEETING  
Port Authority of the Cayman Islands  
45A Harbour Drive  
31<sup>st</sup> January 2018  
Meeting No. 420**

A meeting of the Port Authority of the Cayman Islands Board of Directors was held on Wednesday, 31<sup>st</sup> January 2018 at the Port Administration Building, 45A Harbour Drive, Grand Cayman, Cayman Islands.

**1. Welcome and Call to Order**

Chairman Errol Bush welcomed attendees and called the meeting to order at 1:07 pm.

**2. Attendance and Apologies**

**Members Present**

Mr. Errol Bush, MBE – Chairman  
Mr. Arek Joseph, OBE – Deputy Chairman  
Mr. Ashton Bodden, JP  
Mr. Robert Foster  
Mrs. Jacqueline Scott-Rankine  
Mr. Perry Powell (Ministry of DAT&T)  
Mr. Michael Nixon (Ministry of Finance)  
Mr. Charles Clifford – (HM Customs)  
Mr. Richard Parchment  
Mr. Ken Thompson  
Mr. Clement Reid – Port Director

**Apologies for Absence(s):**

Mr. Stran Bodden (Ministry of DAT&T)

**Other Attendees**

Mr. George Loutas - Maples

### **3. Quorum**

**IT WAS RESOLVED** that in accordance with Section 17 (1) (g) of the Public Authorities Law 2017, a quorum of the simple majority of the Members who are entitled to vote were present and that the business would proceed.

### **4. Review and Approval of Minutes**

**IT WAS NOTED** that the Minutes of Meeting #419 held on 14<sup>th</sup> December 2017 were approved by the Board; moved by Mr. Richard Parchment and seconded by Mr. Arek Joseph.

### **5. Updates from Previous Minutes**

#### **a) Cruise Berthing Project**

- The bidding process continues. On 30 November 2017 the Invitation to Submit Online Solutions (ISOS) was broadcast on the Bonfire procurement portal. In this phase of procurement, the nine (9) prequalified applicants will submit their solutions to project specific issues. This phase is heavily weighted to the ability to finance the project. This phase will also require the applicants to provide solutions to project management and technical challenges.
- An industry day has been scheduled for 05 February 2018. This is an invitation for all 9 applicants to visit the Port at their expense. A presentation is planned by government and the applicants will be taken by bus to the Port.
- The project engineering consultant Royal Haskoning was on Island 11 January to 16 January to perform the first environmental inspection of the Coral Recruitment Programme. This programme has been challenged by the recent storms however, the good news is the divers have reported that coral is starting to grow on the tiles placed out in the harbor. A report will be provided and submitted to DOE.

#### **b) Cargo Distribution Yard Redevelopment**

##### **Update Cargo Yard Development**

- Two bidders replied to the Invitation to Tender. The preferred bidder McAlpine was recommended for selection.
- In an effort to reduce cost value engineering was performed in collaboration with McAlpine, the Port and APEC the result was a \$500,000.00 savings to the project.
- The contractor McAlpine mobilized on site 02 January 2018 and work is proceeding.
- The drilling of deep wells has been completed and the contractor is proof rolling the site to establish compaction.
- Excavation has started for the grade beams and all rebar for the concrete slabs has been delivered.

- The project has been broken up into two phases with the first phase ready for KoneCrane mobilization approximately 05 March 2018.
- To expedite schedule the contractor is working weekends.

#### 6. Port Director's Monthly Report

The PD's Report for December encompasses all other reports for the purpose of this meeting and covers December – to date, 2018. The reports include, PACI Management Accounts (un-audited), Cargo Logistics, Security, Safety and Crisis Management. The PD presented updates on the financial performance and cash flow projection for the next six months, strategic plan implementation, and risk and compliance management. There is a positive outlook for the performance of the Port given the anticipated cruise visitors and planned construction in 2018.

To facilitate the increased levels of cargo imports, PACI added 348 additional man hours for extended hours during the Christmas period.

The PACI earned income of \$32.2M or 0.22% below the \$32.37M budgeted for the 17-month period, and incurred total expenses of \$31M or 7% less than the \$33M budgeted for 2017. This resulted in a net profit of \$1.3M for the seventeen months ended 30 November 2017. This is an improvement of \$2.1M or 262% over the budgeted loss of (\$809K).

The PD highlighted the six-month cash flow will be affected due to the CAPEX. Expenditure will have to closely monitored and controlled for the first 10 months in 2018.

#### Matters for approval

The PD sought approval from the Board for / to:

- a) Ratification of Deloitte Addendum to Provide Facilitation Services in Relation to the Evaluation of Job Descriptions for the Port Authority of the Cayman Islands for US\$2,350.
- b) The tender evaluation scoring and award of contract for a Human Resources Information Management System (HRIMS). Tenders received from HRplus Software, Paragon GRC Solutions and Creative Tech Business Solutions. The Evaluation Committee recommends awarding the contract to HRplus for \$94,546 KYD.
- c) Mercer Actuarial Valuation for Post-Retirement Healthcare Benefits Contract valued at \$8,000 - \$10,500 USD.

#### Matters for noting

- a) Members instructed the Port Director to arrange a meeting with the NRA, Ministry of DAT&T and the RCIPS on solutions for traffic at Spotts Terminal during cruise operations at Spotts Terminal and the placement of traffic barriers in front of the Old Tower Building site to prevent illegal parking of public transport operators.
- b) Members instructed the Port Director to write the Chief Officer in the Ministry of DAT&T regarding the issues that PACI is currently facing from Ground Transportation Operators operating illegally on Harbour Drive, North Church Street and on the sidewalks in front of the Port.



- c) Mr. John Dilbert's employment was terminated on 25 January 2018 as a result of an incident that took place in Cayman Brac where he threatened two members of staff and physically accosted them. The Chairman and Chief Officer were notified of the incident and the outcome of the investigation prior to his dismissal.
- d) It was noted that the RCIPS has now formed a 'harbour front unit', headed by Inspector Courtney Myles, during peak cruise ship days. PACI has attempted to set up meetings with Mr. Myles in order to coordinate efforts. The Port Director will make another attempt to arrange a meeting with the Inspector.
- e) Members expressed concerns that the KPMG Business Continuity Report and Disaster Recovery Report was not yet complete. The PD gave an undertaking that he would follow up on the status and provide an update to the Board.
- f) Members instructed the Port Director to commence with the review and update of the Employee Handbook to comply with all relevant laws and in particular the Public Authorities Law – 2017.

## 7. Other Business

### a) Easements for Safehaven Marina

Mr. George Loutas presented an update on the Easement documents for vehicles and boats to Members together with an updated map that reflects the GPS coordinates on the established boundaries. Dragon Bay and the Proprietors of the Ritz Carlton agreed to all the points raised by PACI and have been incorporated into the latest draft documents. Mr. Loutas was instructed by Members to reply to Appleby and request that the easement documents cover the two contingencies for Leasehold and Freehold property to protect PACI should the land be converted to Freehold in the future.

### b) Mercer Actuarial Valuation of Post Healthcare Benefits Contract

Members unanimously agreed that the Port Director be allowed to enter into contract with Mercer for a fee not to exceed \$10,500 USD.

### c) HRMIS Tender Evaluation and Recommendation

Members unanimously agreed to defer this procurement to a later date when the cash flow shows improvement. Bidders will be notified accordingly.

### d) Ratification of Contract Addendum with Deloitte

A motion was moved by Mr. Arek Joseph and seconded by Mr. Ken Thompson to ratify the contract addendum with Deloitte. Members unanimously voted their approval.

### e) Business Case for the Procurement of New Accounting System

Members unanimously agreed to defer this procurement to a later date when the cash flow shows improvement.

### f) Service Level Agreement (SLA) with PWD for Senior PM

Members unanimously voted no to the Port Director (PD) signing the SLA and instructed the PD to write to the Office of the Auditor General (OAG) and outline the potential financial consequences to PACI if the employment contract with the Senior PM is terminated before it reaches maturity.

The PD will also seek legal advice from Ritch and Conolly on the exposure of PACI should the employment contract be terminated prematurely.

### g) 2015/16 Annual Report and Financial Statements



A motion was moved by Mrs. Jacqueline Scott-Rankine and seconded by Mr. Ashton Bodden to approve and accept the Report. Members unanimously voted their approval.

**h) Circulation of Signed Minutes: 30 November 2017**

Members were furnished with copies of the signed minutes from the 30 November 2017 meeting.

**i) Letters from Ms. Caren Wight**

The Chairman circulated letters received on 7 January 2018. Subsequent to receiving these letters the Chairman received a follow up letter confirming that she had sold her house and would now be in a position to fully extinguish the outstanding debt on her rental unit.

**8. Adjournment and Date of Next Meeting**

The Chairman adjourned the meeting at 4:29 pm. It was noted that the next meeting will be held on 21<sup>st</sup> February, 2018.



Mr. Errol Bush - Chairman



Mr. Clement Reid – Recording Secretary

