



# CAYMAN PORT

**BOARD OF DIRECTORS MEETING  
Port Authority of the Cayman Islands  
45A Harbour Drive  
11<sup>th</sup> May 2018  
Meeting No. 427**

A meeting of the Port Authority of the Cayman Islands Board of Directors was held on Friday, 27<sup>th</sup> April 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 1:25 pm.

**2. Attendance and Apologies**

**Members Present**

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

**Apologies for Absence(s):**

Mr. Robert Foster

**Other Attendees**

None

**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 #426 held on 27<sup>th</sup> April 2018 were approved by the Board; moved by Mr. Richard Parchment and seconded by Mr. Arek Joseph.

**5. Matters Arising from Previous Minutes**

**a) Port Redevelopment Project Update**

The Pre-Qualification stage commenced in May 2017 and is now complete. This stage included a questionnaire being issued which invited interested parties to demonstrate their ability to design, build, finance and maintain (DBFM) the proposed port facility.

Nine prospective bidders were pre-qualified and were subsequently sent an Invitation to Submit Outline Solutions (ISOS).

Pre-Qualified applicants had the opportunity to attend an Industry Day which included formal presentations on the major elements of the project and a visit to the George Town Port.

ISOS responses were due in March 2018. Five submissions were received and are currently being evaluated.

The goal is to submit the ISOS Evaluation Summary Recommendation report to Central Tenders Committee (CTC) in May 2018 for consideration.

The detailed timeline is as follows:

**PREQUALIFICATION PHASE**

Issue of Prequalification Advertisement	Complete (8 May 2017)
Issue of Prequalification Questionnaire	Complete (15 May 2017)
Submission of Prequalification Questionnaire	Complete (30 July 2017)
Central Tenders Committee Meeting	Complete (4 October 2017)

**INVITATION TO SUBMIT OUTLINE SOLUTION PHASE**

Issue ISOS documents	COMPLETE (30 November 2017)
Industry Day	COMPLETE (5 February 2018)
Submission of ISOS Responses	COMPLETE (16 March 2018)
Evaluation of Submissions	ONGOING
Central Tenders Committee Meeting	May 2018

**INVITATION TO SUBMIT FINAL TENDER STAGE (ISFT)**

Issue final tender documents	May 2018
Final tender submissions due	July 2018
Evaluation of Submissions	August 2018
Central Tenders Committee Meeting	September 2018
Contract Award	September 2018 (*preferred bidder will
be invited to engage in contract negotiations)	

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

### **Update Cargo Yard Development**

- McAlpine Ltd completed construction of the RTG yard. Final inspection and punch list to be completed on Friday, April 27, 2018.
- CUC installed 2 electrical wooden poles for overhead power source along the border of property adjacent to Industrial Services Ltd. This will provide power for the RTG pedestals.
- APEC in communications with three (3) local contractors to provide the yard markings. Konecranes has requested for this to be completed by May 21, 2018 so they can program the locations into the RTG auto positioning system.
- Yard management system remains on schedule with majority of the overseas team arriving May 24-27 and will remain with PACI till June 22. The Go-Live date remains on June 12, 2018 at 8:00am. During the time period of May 28 – June 10, extensive training will be taking place for the yard management system.

### **Brief timeline of major completed activities:**

- Award to APEC to design cargo yard improvements July 2017
- Design process August to November 2017 during this time frame the Port in collaboration with APEC reviewed 6 options in an effort to decide on the best and most cost-effective design for the given site conditions.
- Award was made to Mc Alpine in December 2017 under a competitive bidding process with CTC. Value engineering was again performed with APEC and Mc Alpine to reduce cost.
- Mc Alpine mobilized 02 January 2018
- Project complete in April 2018 this represents ten (10) months from engineering to construction completion. This is a significant success for the Port.
- McAlpine completed major construction 10 days ahead of schedule. Zero lost working days and zero safety related incidences.
- Yard construction project completed with zero cost overruns.
- All the above are successful benchmarks for PACI and a great model for future projects for PACI to keep this high level of standards.

## **6. a) Port Director's Monthly Report**

The PD's Report encompasses all other reports for the purpose of this meeting and covers April 2018. The reports include, Finance, Cargo Logistics, Security, Safety and Crisis Management. The PD presented updates on the 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.

April was a month of mixed results for the maritime sector.

There was a total of 19 cargo ships trading and making 40 port calls. Cargo tonnage increased by 4.0% compared to the same period in 2017.

During the period, Apr 1, to Apr 30, 2018, we received 49 cruise calls. We handled 151,716 passengers, which was 21.1% increase over the 125,284 passengers received in April 2017. Two Disney vessel calls (6,448 passengers) were lost due to inclement weather which prevented passengers from landing.

The PACI earned income of \$4.097M or 8% above the \$3.81M budget for the 2-month period and incurred total expenses of \$3.2M or 16% less than the \$3.8M budget for Jan-Feb 2018. This resulted in a net profit of \$895K for the two months ended 28 February 2018. This is a \$884K or 7657% more than the \$12K expected profit at the end of February 2018 in the approved budget.

The \$4.0M revenue was \$385K or 10% more than the same period last year. The actual expenses of \$3.2M was \$345K or 10% less than the Jan – Feb period in 2017, resulting in the profit being \$730K or 443% above the 2017 net profit.

Total assets improved by \$3.6M or 6% while Liabilities increased by 8% or \$2.9M, resulting in a \$727K or 3% increase in closing equity ay February 2018.

**f) Vehicle License Bye-Laws**

The PD presented a set of Draft Bye-Laws that are required under Section 8 of The Port Authority (Licensing of Vehicles) Law (1999 Revision).

**Members unanimously agreed to defer this matter to a future meeting and instructed the PD to send a copy of the Draft Bye-Laws to the Chief Officer and request that CIG Legal Drafting Department review and comment on the draft.**

**g) RTG Dedication Ceremony**

The PD presented a draft Invitation for Members to review and approve.

**Members unanimously approved the Invitation with a change of date to 13 June 2018. The PD was instructed to establish a budget for this event and circulate to Members for approval before engaging vendors.**

**h) Procurement Policy**

The PD presented a Draft Procurement Policy for Members approval.

**Members noted the creation of the Policy and instructed the PD to ensure that it complies with the Procurement Law and all relevant legislation. The PD informed Members that all of the Executive Management Team, Managers and Supervisors had received training on the Procurement Law from the Director of the Central**



Procurement Office. The next Lunch and Learn (30 May) will include a presentation to the Team on the Procurement Policy.

**i) Asset Disposal Policy**

The PD presented a Draft Asset Disposal Policy for Members approval.

**Members noted the creation of the Policy and instructed the PD to ensure that it complies with all relevant legislation. The PD informed Members that the CFO and his Finance Team will have responsibility for the execution of the Policy and all participated in creation of the document. The next Lunch and Learn (30 May) will include a presentation to the Team on the Asset Disposal Policy.**

**j) Receiver of Wrecks Policy**

The PD presented a Draft Receiver of Wrecks Policy for Members approval.

**Members noted the creation of the Policy and instructed the PD to ensure that it complies with all relevant legislation. The PD informed Members that the Merchant Shipping Law recognizes the Port Director as the Receiver of Wrecks.**

**k) Purchase of Spare parts from Konecranes for the RTG Cranes**

The PD presented an inventory list of spare parts for Members approval.

**Members deferred the matter to another meeting and instructed the PD to have the Chief Logistics Officer prepare a report and present to the Board to show the need for these parts.**

**l) Line Markings for CDC Container Yard**

The PD requested Members approval for a budget not to exceed \$25,000 for the line markings at CDC Container Yard.

**Members unanimously Agreed to the request and approved a budget not to exceed \$25,000 for the line markings at CDC Container Yard.**

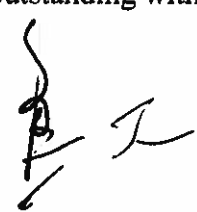
**7. Other Business**

**a) Circulation of Signed Minutes: 29 March 2018**

Members were furnished with copies of the signed minutes from the 29 March 2018 meeting.

**Island Restaurants Lease Agreement Proposal**

Members unanimously agreed to extend the lease of Island Restaurants until August 2019, with no option to renew. All leases renewed from this point on to contain a 6 month termination clause, as well as a clause to terminate if rent goes one month in arrears and holding Directors personally liable for rents or debts outstanding with the Port Authority.



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

The Chairman adjourned the meeting at 3:36 pm. It was noted that the next meeting will be held on a date to be determined.



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Mr. Errol Bush - Chairman

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Mr. Clement Reid – Recording Secretary