



CAYMAN PORT

**BOARD OF DIRECTORS MEETING
Port Authority of the Cayman Islands
45A Harbour Drive
31st October 2019
Meeting No. 456**

A meeting of the Port Authority of the Cayman Islands Board of Directors was held on Thursday, 31st October 2019 at the Port Administration Building, 45A Harbour Drive, Grand Cayman, Cayman Islands.

1. Welcome and Call to Order

Acting Chairman, Arek Joseph, welcomed attendees and called the meeting to order at 1:11pm.

2. Attendance and Apologies

Members Present

Mr. Arek Joseph – Acting Chairman
Mr. Stran Bodden (Ministry of Tourism)
Mr. Ashton Bodden, JP
Mr. Ken Thompson
Mr. Richard Parchment
Mrs. Jacqueline Scott-Rankine
Mr. Michael Nixon – (Ministry of Finance)
Mr. Charles Clifford – (CBC)
Mr. Joseph Woods – APD

Apologies for Absence(s):

Mr. Robert Foster

Other Attendees

Ms. Keisha Yates – Recording Secretary

Invited Attendees

Mr. David Collier of Ritch & Conolly



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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

Minutes 455 were reviewed and accepted. It was moved by Mr. Ashton Bodden and seconded by Mr. Ken Thompson, that Minutes 455 be approved. All members voted to approve.

5. Matters Arising from Previous Minutes

a) Land Available For Sale

The APD provided an update of the land for sale that maybe of interest to PACI.

The APD approached the owner and both parties are interested and willing to discuss negotiations. The Board authorized the APD to make contact with Lands and Survey to proceed with the negotiations.

b) Correction of minutes to Meeting 451; 6b

Minutes of meeting 451 section 6b correction to read; The members of the Audit & Risk Committee met with members from the Office of the Auditor General on July 23, 2019. In the meeting, the OAG's office sought understanding on the role, objectives and responsibilities of the ARC as it relates to the internal control of PACI's financial reporting. While staff morale was discussed, it was not the primary purpose of the meeting.

c) Ratification of Letter to Ministry re Aegir's Report

Deferred pending some adjustments to the letter.

6. New Business

a) Appointment of Recorder of Minutes

The APD introduced Ms. Keisha Yates as the new Recorder of Minutes. Members present unanimously approved her appointment.



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b) Update on Legal Matters by PACI Attorney

PACI's Attorney updated the board on the status of various legal matters.

c) PACI supply of fuel to visiting US Coast Guard vessels

Discussion on current process where an outside agent for visiting US Coast Guard vessels arranges the refueling directly with SOL instead of from PACI. The Board instructed the APD to look into the current fuel contract(s) to determine the allowance of third party fuel sale details.

d) RTG Remote Control

The APD provided the Board with information and pricing relative to the option to have the RTGs controlled from an office in addition to it being controlled in the cab of the machine. This feature would allow for one operator to operate both machines during slow periods, or in cases where one operator is out for lunch. It would be easier than having one operator move from one cab to the other.

Having considered the benefits versus the cost of the option, members voted to not purchase the option.

e) Audit & Risk Committee Report

- (i) The Board decided to disable the HR Sub-committee with the intention of it only being reactivated when deemed necessary by the Board.

APD was asked if he was aware of the air conditioning issues in the RTG? The APD explained he was made aware after the last meeting and that the A/C system is nitrogen based. No one on island can service. The manufacturer has been informed and is going to replace the systems in both units.

Question raised seeking confirmation on roadworthiness on the new terminal trucks. In the USA, terminal trucks not road worthy due to design for on port or in house use and not geared regulated road worthy. The APD stated that the trucks PACI acquired are made for road use, not highway use and have been inspected and passed for use on Cayman's roads by the Vehicle Licensing Dept. The board requested that the DD – Operations will be invited to the next meeting to discuss.

- (ii) Audit and Risk Charter – policy was sent to the OAG for review. The OAG had no major concerns, other than the adoption of the HR related matters within the charter. Further discussions to take place.
- (iii) Audit Report – ISA260 deferred until next meeting



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f) APD's 2019 Report

Summary of 2019 provided by APD highlighting some of the achievements.

- New Organization chart implemented reducing the previous 7 portfolios to 3
- APD sought and gained approval for the additional 9 Port Worker positions that was previously approved (20 approved and 11 recruited). It was confirmed that when the previous approval was granted, the budget supported those positions.
- New Handbook in place.
- 8 new TICO trucks acquired. One large blade forklift, 2 standup electric forklifts for the warehouse and one 8,000 lb small forklift for the Port are on order.
- Significant facilities maintenance / repairs carried out. Cayman Brac dock repairs; new reefer plugs in Little Cayman; old outdoor shelter at CDC removed and Big Top Shelter installed to temporarily shelter outdoor cargo. After the fact planning approval has been sought for the Big Top Tent. Ongoing repairs to various PACI facilities in Grand Cayman. Spotts terminal parking paved and passenger area repaved and refurbished.
- Regular management meetings held.
- Cargo imports increased by 13% and cruise down by 6% when compared to last year. However both are ahead of the 2019 forecast.
- Financial position; profit earned in each of the 9 months of 2019 and forecasted yearend profit will be over \$2 million even after funding all of the CAPX and maintenance for 2019.
- Financial audit for 2017 and 2018 complete
- Successfully negotiated with health care provider to increase of 3% versus the proposed increase of 13%

APD further advised that focus will continue on developing PACI's Policies and SOP's, training for all staff in various areas, including customer service, as well as a review of laws and regulations etc. Pilotage, as an example, needs to be addressed in the law review. In the long term plan, new warehouses will be needed, mechanic shops (Dock and CDC), 3rd RTG, new cranes, IT infrastructure, LCM facility will require significant upgrades, CYB facility upgrades to infrastructure and fleet. The APD also sought approval to pay staff who has not been able to take all of their vacation leave by the end of 2019 rather than carry any forward to 2020 and compounding the situation more.





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7. Other Business

- a) No other business.

The Acting Chairman adjourned the meeting at 4:26pm. The date of the next scheduled meeting is November 28, 2019 at 12:30pm.

Mr. Arek Joseph – Acting Chairman

Mr. Joseph Woods – Recording Secretary

