

**CAYMAN ISLANDS AIRPORTS AUTHORITY (CIAA) BOARD MEETING MINUTES HELD AT OWEN
ROBERTS INTERNATIONAL AIRPORT, CIAA CONFERENCE ROOM, 23 MAY 2018**

BOARD MEMBERS

Present were:

Deputy Chairman: Mr. Thom Guyton
Chief Officer: Mr. Stran Bodden
Director: Ms. Vanessa Godfrey-Banks
Director: Mr. Joel Jefferson
Director: Mr. George Hunter
Director: Mr. John Meghoo
Director: Mr. Nathaniel Tibbetts

Apologies

Chairman: Position Vacant
Director: Mr. Charles Clifford

Others Present

CEO: Mr. Albert Anderson
Secretary: Ms. Nadine Ramsay

1. WELCOME & APOLOGIES

- 1.1.** A quorum being present, the Deputy Chairman called the meeting to order at 11:45 am. The Deputy Chairman welcomed everyone to the meeting and thanked all Directors for attending.
- 1.2.** Apologies received from Mr. Charles Clifford who was not able to attend this meeting.

2. CONFIRMATION OF MINUTES

The minutes of the meeting held on 25 April 2018 were reviewed and approved, with minor amendments.

Deputy Chair said that the Chairman, the late Mr. Kirkland Nixon, would be sorely missed. Mr. Nixon's guidance and vision was well respected and he was treasure and invaluable resource. The Deputy Chairman will continue to Chair the meetings until the Government appoints a new Chairman.

3. MATTERS ARISING FROM PREVIOUS MINUTES

- 3.1. Change Orders.** Changes orders were being received from non-government and government tenants for spaces in the new ORIA Terminal Building. The CEO gave details on the circumstances surrounding these requests. The CIAA was seeking confirmation if

requests from government tenants were approved at the Ministry level. The Board advised the CEO to go-ahead with the change orders and then bill the tenants, but stressed that these change orders should be approved through the proper channels.

- 3.2. RFFS LOA.** The CIAA met with the Fire Chief and is now awaiting the final draft agreement.
- 3.3. Little Cayman.** The Board Planning and Development Committee will meet in July to review the Airport Master Plan.
- 3.4. Temporary Departure Tent.** This is now being stored in a container and was advertised for sale. After viewing the tent, interested parties indicated that the size and cost of the structure limited their ability to rent it and recoup their money. The CEO and Board shared concerns over the viability of the tent when stored for long-term in the container.
- 3.5. CIAA Brand Refresh.** This is currently in progress and an update will be provided in due course.

- 4. Agenda Item 4 – Moved to later to accommodate the CFO who had an emergency.
- 5. **Lost Revenue Streams for CIAA.** The Board advised that this a critical area and should be kept on the agenda going forward for continued focus.
 - 5.1. At the meeting between the board and the Auditor General, the AG suggested that the CIAA should document arrangements where government tenants receive free rental. The CEO will ask the AG for a formal position on this and if necessary seek the Cabinet's written directive on the tenants that should not be charged.
 - 5.2. The Board expressed concern about the lack of Ground Handling agreements. The CEO advised that an agreement was drafted but the revenue model was still being discussed. Sample revenue models will be obtained from other airports in the region to help with drafting the revenue model. The Board asserted that all operators on CIAA's property need to have permission, as it is not crown land.
 - 5.3. The Board requested a listing of all entities that do business on CIAA's property along with the type of business that they transact.
 - 5.4. Meet & Greet – The CEO will research the true cost of providing the meet and greet service.
 - 5.5. All leases between the CIAA and government tenants will include the monetary value and size of the space they occupy.

6. Monthly Financial Report – CFO

The following was highlighted from the CFO presentation:-

- 6.1. Strong 1st quarter performance, passenger numbers has increased.
- 6.2. The CIAA's expenses and headcount has increased to support the larger facility and services needed
- 6.3. The CIAA's financial position is strong and will be able to meet the demands of the ongoing capital works without any undue pressure.

- 6.4. [REDACTED] S21(1)(b)
PFC's should be paid on time and the CFO should notify the appropriate persons should the payments fall behind.

7. OPERATIONAL UPDATE – ALBERT ANDERSON, CEO

- 7.1. Terminal Expansion and Renovation Project.** The CEO provided a pictorial presentation of the construction progress since the last board meeting and advised that the columns originally shown in the design of the Great Hall will not be put in. The steel that are already in place will support the arches. The Breastfeeding and Children's play areas are still included in the design. The chairs for the departure hall would be ordered from the same vendor to utilise some of the existing frames and to maintain consistency. The CEO will look at having different types of chairs including those that has leg rests.
- 7.2. Rubis/Sol.** There is a disagreement on one aspect of the agreement and the CIAA has received legal advice on this. Once the agreement is signed, Rubis/Sol will start building the fuel storage facility. The CEO expects that this issue will be resolved in due course.
- 7.3. Aircraft Fees.** The CIAA will initiate discussions with Jet Blue to see if they would consider an overnight flight instead of coming during the peak periods. The CIAA is currently filled to capacity at peak periods and will look at the possibility of offering concessions/incentives to encourage airlines to arrive out-side of peak periods.
- 7.4. ATC Staffing Concerns.** Based on the UK model, 13 additional bodies are needed with four ATC's for each session. This is an unbudgeted expense and will need the Board's approval before moving forward. An alternative solution would be to outsource the approach control, however, this is only favorable as a short-term solution as in the long-term, Cayman may lose this skill set.
- Funding for the additional ATCO's can be covered out of CIAA's current cash flow and staff could be in-place within 3 months after Board approval. Increasing ATC's headcount a little at a time is not option. The proposed ATC headcount is a regulatory issue and is a requirement of DfT's CAP670. In addition, an ATC supervisor has to be on duty for all shifts.
- 7.5. Pay Stagnation and Off Scale Adjustments.** The Adjustment Decision Matrix was discussed with the Board. The CEO is working with Chief Officer Bodden to facilitate Cabinet approval while ensuring compliance with the Public Authorities Law. Chief Officer advised that Cabinet has to approve COLA's and bonus and from his understanding, these adjustments were neither of the two. The proposed start date is July 1, 2018. The Deputy Chairman cautioned against employees that were, 'red circled'. After some discussion, the Board decided that the suggested lump sum payments for a select group of red-circled employees should be removed. The Deputy Chairman confirmed that the Board supported this initiative as the Cayman workforce was competitive and people may start feeling deflated.

8. AOB

8.1. Arrival Hall Advertising. [REDACTED] advised that he had a question about the [REDACTED] S21(1)(b)
[REDACTED], however, the Deputy Chairman reminded the Board of the potential conflicts, and therefore no concession discussion will take place.

8.2. Cayman Airways VIP Lounge. The redevelopment Project Manager is working with RS&H to come up with another solution. The CEO will work with the PM to ensure that these changes are agreed by the Board and communicated to McAlpine in a timely manner, eliminating the need for change orders after the space has been constructed.

8.3. [REDACTED] S21(1)(b)
[REDACTED]
[REDACTED]
[REDACTED]

8.4. Amano Parking. The credit/debit card payment issues is still pending. The CEO and CFO will determine what CIAA wants from a reporting standpoint before the Amano team arrives in June.

8.5. Department of Tourism Advertising. The Deputy Chairman reminded members that the CIAA would give DOT free advertising space. The Deputy Chairman asked Chief Officer Bodden to ask DOT to start thinking about using the designated 'back wall' to market the Cayman Islands.

8.6. Naming the terminal after the Late Mr. Kirkland Nixon. Mr. Tibbetts tabled a proposal to name the terminal after Mr. Nixon. He clarified that the name of the airport would not change. Owen Roberts International Airport (ORIA) would be on the approach and the main building. The CIAA Board will further consider this and make a suggestion to Cabinet.

Mr. Meghoo was excused from the meeting at 3:30pm

8.7. Board Resolutions. The AMS Island Air Lease , Amended Board of Directors Policies and Procedures Manual and Replacement of the Roof Membrane, resolutions were signed by the Board.

8.8. MASTER PLAN UPDATE. The Deputy Chairman asked to calendar a Board Planning and Development Committee meeting for June 2018.

9. ADJOURNMENT

There being no further business, the meeting was adjourned at 3:50 pm.



Mr. Thom Guyton, Deputy Chairman



Ms. Nadine Ramsay, Secretary