

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF CAYMAN ISLANDS AIRPORTS AUTHORITY ("CIAA") HELD AT OWEN ROBERTS INTERNATIONAL AIRPORT, CIAA CONFERENCE ROOM, ON 25th June 2015

BOARD MEMBERS

Present were:

Chairman: Mr. Kirkland Nixon
Director: Ms. Vanessa Banks
Director: Mr. John Meghoo
Director: Mr. Bruce Smith
Director: Mr. Nathaniel Tibbetts
Director: Mr. Stran Bodden

Apologies

Deputy Chairman Mr. Thom Guyton
Director Mr. Joel Jefferson

Others Present

CEO Mr. Albert Anderson
Secretary Ms. Nadine Ramsay

Presenters

CFO: Ms. Sheila Thomas

1. WELCOME & APOLOGIES

- 1.1. A quorum being present, the Chairman, Mr. Kirkland Nixon, called the meeting to order at 1:00Pm.
- 1.2. The Chairman extended a warm welcome to the Directors. Apologies were noted for Mr Guyton and Mr. Jefferson.

2. REVIEW & CONFIRMATION OF MINUTES

The minutes of meeting of 28th May 2015 were approved with minor corrections.

- Pg. 4 (ii) change '*detection*' to '*detention*'.
- Director Smith also confirmed that the Immigration and Police department would share the detention room facilities.

2.1. MATTERS ARISING FROM MINUTES

[REDACTED]

- ✓ Fuel Consultant - the CEO has received one proposal, thus far and is awaiting a second proposal.

[REDACTED]

[REDACTED]

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[REDACTED]

S.21(aii)

3. CEO's OPERATIONAL UPDATE

The CEO presented his Operational Update with is attached as Appendix A. Highlights of the presentation are below:-

a) Facilities & Projects

- Parking system was approved by the CTC.
- Janitorial RFP – Tenders received and assessment to be completed.
- Perimeter Fence – two quotes were received but were missing quite a bit of information from the respondents. The missing information has been requested and the CIAA is awaiting the responses.

b) Airport Operations

- AIS training was completed which was the first ever formal on Island training for AIS.
- Current certified ACI Operations training is in progress and is scheduled to end on July 3, 2015.

c) CAP's & Aerodrome Recertification

- The Board was advised of the results of the recent CAA audit and that there are now 109 findings and observations to be addressed by CIAA. There was a discussion on the CAP's and CAA's view of the CIAA which was expressed in a meeting called by CAA with the CEO on 24th June. The CAA had indicated that the aerodrome manuals were one of the three requirements needed before re-certification. The Board discussed the possibility of getting an independent assessment of CIAA to determine the degree of compliance with ICAO's standard.
- It was noted that this assessment should be done by an entity that should be able to recommend solutions that meet the ICAO's standard. The CEO offered a counter suggestion of hiring someone to come in and address the CAPs, and the Chairman noted that it has been two years since the existing Board came into effect and this issue has been ongoing and needed to be pursued aggressively for resolution.
- The Board also discussed the following:-
 - i. CAA indirectly saying they are not able to give guidelines/advise on how to do projects and then audit/regulate these.
[REDACTED]
 - iii. A lot of time is spent expending resources and time to fix these issues/caps which are then rejected by the CAA.

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- iv. Concerns with the continued extension of the aerodrome re-certification and reiterated that it takes this re-certification matter seriously.
 - v. Agreed that help is needed in whatever shape or form and advised the CEO to secure the resources needed to address this issue. Suggestion made by a Member to look at getting past Snr Manager Airport Operations (Cayman Brac) as a resource to assist with the Brac Aerodrome Manual.
 - vi. The Board/CIAA needs to be proactive and perhaps this High Risk issue is a valid reason for sole source vendor.
- Renewal of CAA/CIAA MOU- the Board asked for a briefing on this MOU and enquired if the requirement for this was mentioned in the Law and if so, specifically where? The CEO also stated in that with respect to signing the MOU consideration should be given to whether or not the CAA agrees to take ownership of the Aeronautical Information Publication (AIP) document.
 - The CEO discussed an issue with an existing CAP as the CIAA had reduced the height of some trees at a property in the Brac. Despite this mitigation, the CAA refused to close this CAP and advised that the Brac's ATC still remained obscured in some areas by the trees and the camera system currently in place did not provide an acceptable level of mitigation. The property owner was very upset and advised that the CIAA would not be allowed to reenter the property to do any further cutting which may be necessary to further address this CAP issue. The Chairman noted that the power companies had the right to cut down trees on properties that affected the power lines. Similar rights were afforded to the CIAA and should be in the laws although he could not specially recall which law. This would be similar to the same laws/procedures for restricting the heights of buildings.

d) Security Overtime Issue

- The Chief Officer advised that '*reports*' getting back to the Ministry is that the security guards are working 7 days a week. The CEO confirmed that this was not the case. The CEO updated the Board on the meeting with the security representatives earlier that day. The security representatives were advised that they have the option to seek legal advice. The unbudgeted cost impact was now estimated at \$200k in comparison to the original claim of \$500K.

Director Smith confirmed to the CEO that his department was aware of the new security screening procedures for immigration personnel.

• [REDACTED]

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NOTE – The Chief Officer indicated that he had to leave and was excused by the Chairman.

f) Customer Complaints

- Several complaints were received from customers regarding their experience at the security checkpoint, some specifically referred to how they screened personal items. The following mitigation steps are being taken:-
 - i. FADS conducting refresher customer services training (they are very receptive to this)
 - ii. Implementing survey and comments card for feedback at checkpoint
 - iii. Working with IT and Security to improve signage in the checkpoint area.

g) Human Resources

- The HR department was at various stages of the recruitment process for 10 positions. For the engineering officer position the applicant reneged on acceptance of offer which will result in the positioning being re-advertised.

h) Airport Redevelopment.

- The RFP for phase 1 has been advertised and had been picked up by several contractors

The following actions arose:-

Matter/Actions	Actioned By	Due Date
KPMG's Review – Check with Chief Commercial Officer, then circulate report to the Board.	Board Secretary	July 23.15

BOARD BREAKS FOR 10 MINUTES.

4. FINANCIAL REPORT

The CFO presented her report of the April YTD management accounts to the Board with is attached as Appendix B. Highlights of the presentation were:-

[REDACTED]

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b. Non-Aeronautical Revenues

- Non-government concession revenue actuals vs budget was \$1m. The figure was queried and the CFO was asked to recheck this figure.
- Miscellaneous costs included \$20k earned from the Meet and Greet service. The CEO advised that he would be meeting with the Chief Commercial Officer to discuss the service's growth potential.

c. Regulatory, legal and Professional fees.

- Regulatory, legal and Professional fees were 3% below budget. The question was asked if the Shelley-ware legal matter was concluded. Mr. Meghoo confirmed that it was and that the Judge awarded costs to be agreed. Ritch and Conolly currently reviewing.

d. Capital Spending Plan 2014-2015

- Potential money not spent here could be approximately \$1m and the year-end outstanding committed funds for projects will be accrued.

With respect to the issue of canopies for the sidewalk/driving lane at the front of the terminal, the Chairman noted that he spoke to external persons who advised that they have been changing out the steel supporting the canopies on the West Bay Beach. He raised this issue to make the point that the CIAA may need to ask RS&H to look for a canopy solution that is resistant to Cayman's 'salty' environment as he does not think they are aware of how salty this environment is.

e. Cash on Hand

- The CIAA has accumulated sufficient cash which is being held for projects. The CIAA is doing better in comparison to the corresponding period in 2014.

f. Account receivables

- No major issues all accounts current – a bit of slippage due to losing the AR resource.

[REDACTED]. The Board discussed this matter and agreed that it is still ongoing and the related parties need to 'come to the table' to discuss and resolve.

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g. Forecast

[REDACTED] Financial year end Forecast is still on track [REDACTED]

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h. Audit Update

- There will be write off of \$5m for 2013/2014 which means the CIAA will end up with loss for the corresponding period.

The following actions arose:-

Matter/Actions	Actioned By	Due Date
RS&H to look for a canopy solution that is resistant to Cayman's 'salty' environment.	CEO to pass on to Project Manager	August 2015
Recheck Non-Aeronautical Revenues figures	CFO	July 23, 2015
Set up meeting with Bianca re Meet & Greet Service	Board Secretary	ASAP
[REDACTED]	CEO	ASAP

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The Chairman thanked Ms. Thomas on behalf of the Board for her presentation after which she exited the meeting.

5. NEW BUSINESS

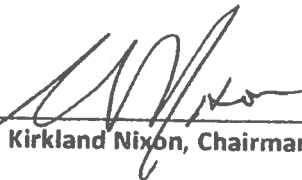
- Location for 'Hurricane Temporary location'** –Mr. Smith enquired if the Airport would provide a location for Immigration in the event of an emergency and the airport facilities could not be used. The CEO advised that he thinks this is the case however this information was contained in the Airport Evacuation Plan (AEP) and would arrange for the Chief of Safety to provide a response and a copy of the Plan.
- Heritage Site.** The Chairman advised that George Town Heritage committee had contacted him regarding the use of CIAA's property to temporarily store some items however it was not clear what they wanted to store and for how long.

The following actions arose:-

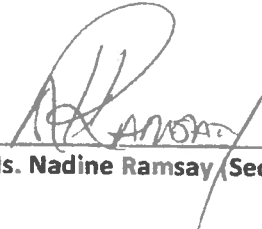
Matter/Actions	Actioned By	Due Date
Find out if there are any changes to the AEP manual and send it to Mr. Smith	CEO/Chief Of Safety	ASAP
Find out the Heritage Committee's storage requirements	CEO	July 23.15

1. ADJOURNMENT

There being no further business, the Chairman thanked everyone for their participation; the meeting was adjourned at 5:45pm.



Mr. Kirkland Nixon, Chairman CIAA Board



Ms. Nadine Ramsay (Secretary)