



**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF CAYMAN ISLANDS AIRPORTS AUTHORITY  
("CIAA") HELD AT BEACON HOUSE CONFERENCE ROOM, ON 22<sup>nd</sup> July 2015**

**BOARD MEMBERS**

**Present were:**

- Chairman: Mr. Kirkland Nixon
- Deputy Chairman: Mr. Thom Guyton
- Director: Mr. Joel Jefferson
- Director: Ms. Vanessa Banks
- Director: Mr. John Meghoo
- Director: Mr. Bruce Smith
- Director: Mr. Nathaniel Tibbetts

**Apologies**

- Director Mr. Stran Bodden

**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 12:50pm.
- 1.2. The Chairman extended a warm welcome to the Directors. Apologies were noted for Mr Bodden.

**2. REVIEW & CONFIRMATION OF MINUTES**

The minutes of meeting of 22<sup>nd</sup> June 2015 were approved.

**2.1. MATTERS ARISING FROM MINUTES**

- a) Correction to Agenda – Under Item 5, it should read Proposal by **CAA** and not **CIAA** to buy Ex-CAL site.
- b) Security overtime issue update will be provided in the CEO’s report.
- c) Heritage Site. The matter with the Heritage Site has been addressed and the representatives will now speak with the President of the Farmers and Artisans Market to see how best they can be accommodated at the Farmers Market Huldah Avenue location.

[Redacted text block]

S.21

[Redacted text block]

S.21(aii)

[REDACTED]

S.21(aii)

- e) Airport Ponds - Options to fill the ponds and who could assist with providing quotes was discussed. Perhaps the CIAA could liaise with NRA and reach out to DART and Public Works as potential sources for fill. The CIAA needs to be proactive in fixing the pond issue and cannot use the excuse of not having the money to do so. Filling the ponds would not be a simple task as the culverts and drain system have to be inspected along with investigating where storm water would drain.

**3. CEO's OPERATIONAL UPDATE**

The CEO presented his operational update which is attached as Appendix A. He advised the Board that his monthly report will gradually change to focus on CIAA's Strategic goals. He and his team were working on developing specific measurements, KPI's and techniques. Highlights of the presentation are below:-

**a) Customer Service**

- Meet & Greet/ Father's Day Donuts for Dads. Price of Meet and greet to be revised.
- Local signage to be put up to promote the New Airport Design.

**b) ORIA Terminal Development Project**

- ORIA Terminal Development Project has received planning approval.
- Enabling package tenders due on July 24<sup>th</sup> and the contract will be awarded in two weeks. There was an added requirement which stipulated that the bidders should have previous experience in completing at least a \$3M project in Cayman.
- Update on Canopy Option and pricing will be presented in 2-3 weeks by RS&H.

**c) Current Airport Improvements**

- Mobile Restrooms will be added on the East Side of the covered area in arrivals
- Collapsible tunnels (walkway to aircraft) options identified with pricing pending. Some aircraft boarding ramps were ordered by CAL who advised they would not be ordering covers for the ramps.

**d) CAP's & Aerodrome Recertification**

- The CAA has given the CIAA 3 months to provide them with an acceptable action plan to address the key issues preventing recertification. It was asked if once this was done the CIAA would be recertified. The CEO advised that this would not be the case. The CEO advised his plan of action was to have the minutes of the CIAA/CAA meeting agreed before responding to CAA's Letter, however the CAA had advised that they were not in agreement with the minutes taken by Ms. Ramsay. The CEO stated that despite asking the question several times, he left the meeting without knowing specifically what is needed for recertification.

The Board made the following recommendation:-

- [REDACTED]
- The CEO should respond to CAA without delay.

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A member recommended that the Premier and Deputy Premier should be briefed on this issue. This was agreed and it was generally agreed to support the CEO's proposal to work with the CAA to resolve the issues. |

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**NOTE – Mr. Bruce Smith indicated that he had to leave and was excused by the Chairman.**

**e) Security**

[REDACTED]

- New screening requirements will begin 1 August 2015.
- Repairs to CKIA perimeter fence as required by TSA now completed.

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**f) HR Goals and Recruitment Summary**

- Developing a comprehensive training and talent management program.
- Recruitment efforts for 14 positions currently underway.

**g) Performance Management**

- All managers tasked with completing 2014/15 appraisals by August 17, 2015 with the objective setting for 2015/16 to be part of the appraisal process. These objectives should be aligned with the strategic plan

**h) Staff Morale**

- Security staff overtime issue nearing completion.

**i) Measure, Report Act**

- All Chiefs tasked with identifying KPI's for their departments. Individual performance will be measured against this in their appraisals. They are also tasked with completing the year at least 5% below budget.

**The CFO joined the meeting and was welcomed by the Chairman**

**4. FINANCIAL REPORT**

The CFO presented her report of the July YTD management accounts to the Board, which is attached as Appendix B. She advised that the finance team was still doing year-end adjustments and that some of the numbers may change which may go either way, however they were feeling confident with the numbers.

Highlights of the presentation were:-

- a. A deficit was budgeted, so there were some improvements in the numbers.
- b. Productivity is up, overall debt aside; on the operating side we are doing quite well.
- c. 2015-2016 Forecast vs 2014-2015 estimates shows improvement and is on par with projections
- d. 12 Month Operating Trend with June 2015 coming in higher as there were efforts to complete some projects at end of the financial year.
- e. Statement of Financial Performance shows a big jump in the staff costs, with \$500k provision for pension liability. The CIAA was awaiting final numbers from the actuaries
- f. Impairment of previous ORIA development plans of \$5.5million.
- g. Passenger based fees 3 times more in total passengers and 2% more that are taxable
- h. Repairs and maintenance came in at 11% below previous year. All general maintenance cost will be broken down in the next budget year.
- i. Approved Capital Spend - All CAP's expenditure will be cost out so that there is clear visibility on how much is spent to address these. This will be added to the next Budget and reported on separately. All associated cost including salaries should be shown.

j.

[REDACTED]

l. Capital Budget, a report should be presented to the Board to show how funds not spent will be used instead of just spending. The Board Audit Committee (BAC) should manage this process then report this to the Board.-

m. **Audit Update**

- Board Audit Committee (BAC) to look at submission for Audit
- External Audit – 2013/2014 now in the final stages and 2014/2015 will commence in 8 weeks. The internal Audit Issues and recommendation will be addressed and responses will be provided as required.
- EU Team will be doing final evaluations during the 1<sup>st</sup> week of August 2015.

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

NOTE – Mr. John Meghoo indicated that he had to leave and was excused by the Chairman.

## 5. NEW BUSINESS

a.

[REDACTED]

The Board confirmed its resolution that all other Airport Property will be leased and none will be sold at this time.

- b. **CAA & CIAA MOU.** - The Board raised its concern as to whether or not CIAA was getting value for money and recommended getting comparisons from other countries such as Turks, Bermuda, Antigua and Tortola. The CEO presented details of the MOU to the Board along with his recommendation for signing. The Board then all agreed to the signing of the MOU.
- c. **Cost Champion Compensation.** – The CEO advised the Board that he was looking at putting together a proposal. He confirmed that CIAA did not give a Christmas bonus to staff and advised that he would look at making recommendation for a bonus as a percentage of salaries as well as cost saving initiatives. These would be put to the Board for due consideration.
- d. **Indemnification for the Board.** The Chairman discussed the issue with the members. The question was asked as to how 'good faith' was defined and determined. The Board agreed that it needs to look into protecting itself and recommended getting legal advice on this issue.

Both the Chairman and Deputy Chairman have recused themselves from any involvement in the Concession and Advertising issues/discussions etc respectively, because of a personal conflict. Mr. Joel Jefferson, Chairman of the CIAA's Audit Committee has agreed to act as Chairman for all discussion/decisions regarding Concessions for ORIA.

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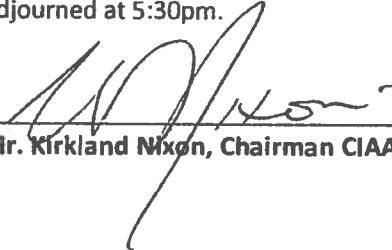
**Note the Chairman and Deputy Chairman recused themselves.**

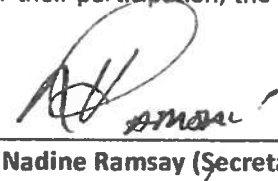
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**6. ADJOURNMENT**

There being no further business, the Chairman thanked everyone for their participation; the meeting was adjourned at 5:30pm.

  
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Mr. Kirkland Nixon, Chairman CIAA Board

  
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Ms. Nadine Ramsay (Secretary)