

**11th MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF CAYMAN ISLANDS AIRPORTS AUTHORITY
("CIAA") HELD AT ORIA CONFERENCE ROOM, ON 26th November 2015**

BOARD MEMBERS

Present were:

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| Chairman: | Mr. Kirkland Nixon |
| Director: | Ms. Vanessa Banks |
| Director: | Mr. John Meghoo |
| Director: | Mr. Nathaniel Tibbetts |
| Director: | Mr. Joel Jefferson |

Apologies

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| Deputy Chairman: | Mr. Thom Guyton |
| Director | Mr. Stran Bodden |
| Director: | Mr. Bruce Smith |

Others Present

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

Presenters

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| CFO: | Ms. Sheila Thomas |
| NRA Chairman | Mr. Donovan Ebanks |
| Project Manager | Ms. Denise Stabler |

1. WELCOME & APOLOGIES

- 1.1. A quorum being present, the Chairman, Mr. Kirkland Nixon, called the meeting to order at 12:30pm.
- 1.2. The Chairman extended a warm welcome to the Directors. Apologies were noted for Mr Guyton, Mr. Bodden and Mr. Smith.

2. REVIEW & CONFIRMATION OF MINUTES

The minutes of meeting of October 22, 2015 were approved with minor amendments.

2.1. MATTERS ARISING FROM MINUTES

- a) There were no update.

3. NATIONAL ROADS AUTHORITY (NRA) BOARD CHAIRMAN'S UPDATE

The Chairman welcomed Mr Ebanks to the meeting. Mr. Ebanks stated that he would be discussing the future traffic needs of the Airport, which was originally considered by the NRA. Details of the plans were illustrated and discussed, he advised the Board that an RFP was done to identify a firm who would manage the development of a traffic study.

4. CEO's OPERATIONAL UPDATE

The CEO presented his operational update which is attached as Appendix A. He also advised the Board that his presentations would now focus on key areas. Highlights of the presentation are below:-

- i. **Parking System** – Completion date for this project was by the end of December 2015 however, the CIAA was awaiting final confirmation from the vendor.
- ii. **CIAA Mascot** – The naming of the mascot was selected via a staff competition. The mascot will be ready by the end of January 2016.

[REDACTED]

iv.

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Note the CEO's Presentation was paused to allow the Project Manager and CFO to present. Their presentations are outlined in No.5 and No 6 respectively.

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- vii. **Corrective Action Plans** – The team continues to make significant progress on addressing and submitting the CAPs to the Regulator for acceptance and closure. All CAPs relating to the safety critical items remains CIAA's top priority.

5. PROJECT MANAGER'S UPDATE

Ms. Stabler gave a summary of the ORIA Terminal Renovation and Expansion project and the key milestones to date.

- i. **Phase 1 Contract** – There were some issues which caused delay with the start of the project. The contractor was able to mitigate the effects of the delay and disruption by rescheduling

- some of the early activities, however 16 days were lost at the start and a revised time for completion is likely to be extended to mid-May rather than early May.
- ii. **Phase 2 Contract** – The prequalification application process closed on November 6 2015 and six applications were received.
 - iii. **Phase 3 Design, Supply and Installation of Baggage Handling Equipment.** The draft document is now with the CIAA Senior Managers for comment.
 - iv. **Financial Progress Report** –A number of variation instructions have been issued which result in a net reduction to the contract sum.
 - v. **Actual Progress Against Schedule** – No formal delay notice has been issued to cover the 16 day slippage. All team members acknowledge the sources of delays cited during the site and progress meetings.

Board Chairman asked Ms. Stabler to update the Board on the other issues from the Steering Group Meetings

15.21

The Project Manager was thanked for her presentation while the CFO joined the meeting and was welcomed by the Chairman.

6. FINANCIAL REPORT

The CFO presented her report of the October 2015 YTD management accounts to the Board, which is attached as Appendix B. Highlights of the presentation and discussions were:-

- i. **Performance & Results Summary** – Revenue underperformance vs budget was driven by delays in revenue measures. In comparison to 2014, passenger departures were up by 1.8 % and aircraft activity increased by 10.2%. There were improvements in cash holdings, receivables and net assets. Vacant posts which remained unfilled also had a positive impact on the Budget. In response to the question if there were any challenges with headcount deficiencies, the CEO advised that there challenges in Security.
- ii. **Key Performance Indicators** and the July to October Operating Performance for 2015-16 shows that CIAA's financial performance was on target and within budget.
- iii. **Passenger Movement by Carriers**- CAL has the highest passenger movement with 28% of this load being less than 12 years old. CAL's passenger demographic has greater wear and tear on the airport facilities and will be the same in the new terminal building.
- iv. **Salary and Staff benefits** – Staff Costs were 8% above prior year and driven by past service pension liability accruals and the cost of living adjustments. Overtime paid to Security and Customer Services staff was approximately 1% of staff costs.
- v. **Capex Update and Forecast Cash Flow** –These will be reviewed and prioritized according to CIAA business needs and financial position.

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

7. NEW BUSINESS

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- i. **Farmers Market-** The land space given to the Farmers Market will be increased at the request of the Ministry of PLAH&I. Their intention is to have additional space to house a mobile building which will be used as an Agricultural Hall of Fame. The CIAA will re-define the boundaries and update the lease.

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- iii. **Resolution to add 'A' Signatory** – Based on the recommendation of the BAC, the Board reviewed and approved the Resolution to add the Chief Commercial Office as an 'A' signatory on the Authority's Bank Account held with the RBC Royal Bank (Cayman) Ltd.

iv.

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The CEO advised that he had an update on the Concession proposal. The Chairman of the Board declare his conflict and recused himself. Before leaving he thanked everyone for their participation.

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8. ADJOURNMENT

There being no further business, the meeting was adjourned at 5:30pm.



Mr. Kirkland Nixon, Chairman CIAA Board



Ms. Nadine Ramsay (Secretary)