



**CIAA Board of Directors Meeting**

**CONFIDENTIAL**

**Minutes**

Board of Directors Meeting

**Date:** 25<sup>th</sup> September 2014

**Time:** 12:30pm

**Place:**

Owen Roberts International Airport  
George Town, Grand Cayman

**Participants:**

Chairman: Mr. Kirkland Nixon  
 Deputy Chairman: Mr. Thom Guyton  
 Director: Mr. John Meghoo  
 Director: Mr. Nathaniel Tibbetts  
 Director: Mr. Stran Bodden  
 Director: Ms. Vanessa Banks  
 Director: Mr. Joel Jefferson

CEO: Mr. Albert Anderson

**Apologies:**

Director: Mr. Bruce Smith

Discussions and Required Actions		
<p><b>1. Call to Order / Welcome</b></p> <p>A quorum being present, the meeting was called to order at 12:30pm.</p> <p>The Chairman extended a warm welcome to the Directors.</p> <p>The Chairman moved to appoint the CEO Albert Anderson as Secretary for this meeting. This was unanimously approved.</p>		
<p><b>2. Confirmation of Minutes / Matters Arising</b></p> <p>The minutes of the meeting of 28<sup>th</sup> August 2014 were reviewed and confirmed.</p> <p><u>Matters Arising from August 2014 Minutes</u></p> <ul style="list-style-type: none"> <li>• <b>Cayman Airways Hangar Area</b> – CEO has discussed the cleanup of CAL equipment around the hangar with CAL CEO Fabian Whorms.</li> <li>• <b>Farmers Market</b> – Remaining containers have been removed. Demolition of the old building will be undertaken by the Farmers' market association.</li> </ul>	<p><b>Actioned By</b></p> <p>CEO</p> <p>CEO</p> <p>CEO</p>	<p><b>Due Date</b></p>

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<ul style="list-style-type: none"> <li>• <b>Board Policy and Procedures Manual</b> – In progress. CEO plans to develop an Orientation Manual for Board members but is lacking secretarial support at the moment.</li> <li>• <b>Internal Authorisation Levels</b> – CEO and CFO to submit a proposal to the Audit Committee.</li> <li>• <b>Internal Audit Report</b> – CEO to provide the Board with an action plan to address the issues raised in the Internal Audit report and recommend a temporary resource plan if such be required.</li> </ul>	<p>CEO</p> <p>CEO</p> <p>CEO</p> <p>CEO</p>	<p></p> <p>23<sup>rd</sup> Oct. 2014</p> <p>23<sup>rd</sup> Oct. 2014</p> <p>31<sup>st</sup> Dec. 2014</p>	<p>S. 21</p>
<ul style="list-style-type: none"> <li>• <b>Commercial Concession Leases</b> – CEO to advise concessionaires that the concession model going forward will be based on a percentage of revenue with a minimum annual guarantee. At the same time do some PR on that change.</li> <li>• <b>Interim Plans, Congestion</b> - The CEO advised the Board that arrangements are at an advanced stage and approval in principle was being sought from Planning before placing the order.</li> <li>• <b>Unscheduled Operations</b> – CEO to seek to recover all costs associated with unscheduled flight operations from the airlines.</li> </ul>	<p>CEO</p> <p>CEO</p> <p>CEO</p> <p>CEO</p> <p>CEO</p> <p>CEO</p> <p>CEO</p>	<p>31st Dec. 2014</p> <p>25th Sept. 2014</p> <p>31st Dec. 2014</p> <p>23rd Oct. 2014</p> <p>31<sup>st</sup> Dec. 2014</p> <p>31<sup>st</sup> Dec. 2014</p> <p>31<sup>st</sup> Dec. 2014</p>	<p>S. 21</p> <p>S. 21</p> <p>S. 21</p>
<ul style="list-style-type: none"> <li>• <b>Fleet Maintenance</b> - CEO to issue a RFP for fleet maintenance. This is currently in the works but delayed by airport development RFP.</li> <li>• <b>Satellite Phones</b> – CEO confirmed that no satellite phones are available in case of emergency. This is being addressed.</li> <li>• <b>Performance Management</b> – Training for Board members currently being planned for November Board meeting.</li> <li>• <b>TYMCO Sweeper Truck</b> - CEO to confirm that the new sweeper truck is under warranty and that there is a certified maintenance service provider in Cayman. This was confirmed and Atlantic Supply is the service provider that is approved by TYMCO, although not certified.</li> <li>• <b>Salaries</b> – CEO to verify when the last salary increase was and if CIAA employees got COLA increases in line with CIG in the past. He reported that... <ul style="list-style-type: none"> <li>○ The last general wage increase for CIAA staff was announced by Fred Sambula on 17 July 2008. It was 3.2% cost of living increase retroactive to July 2007.</li> <li>○ Jeremy Jackson sent a memo to staff on 17 Sep 2012 advising of the salary increment freeze, effective 1 Sep 12 – 30 Jun 13.</li> <li>○ An email from the Chief Officer in 2013 confirmed that the freeze was still in place until advised otherwise.</li> </ul> </li> </ul>	<p>CEO</p> <p>CEO</p> <p>CEO</p> <p>CEO</p> <p>CEO</p> <p>CEO</p>	<p>31<sup>st</sup> Dec. 2014</p> <p>31<sup>st</sup> Dec. 2014</p> <p>27<sup>th</sup> Nov. 2014</p> <p>25<sup>th</sup> Sept. 2014</p> <p>25th Sept. 2014</p>	<p>S. 21</p>

**3. Airport Development Update**

After an introduction by Chief Officer and Director Stran Bodden, Jim Scott gave an update on progress with the airport development project. Key highlights were:

- The project is on track with the revised timelines as follows:

**ORIA Terminal Redevelopment:**

Consultant RFP	2014
RFP Tender Period	18 September- 15 October 2014
Tender Award	22 October 2104
<b>Phases 1,1A, 2&amp;3 Concept Design- Total Project</b>	22 October -31 December 2014
<b>Phase 1&amp; 1A-</b>	
Phase 1& 1A Design Dev/Tender Docs	1 January - 30 April 2015
Phase 1& 1A Construction Tender Period/Award	May /June 2015
Construction Period	30 June 2015-December 2016
Warranty Defects Period	December 2016-December 2017
<b>Phase 2&amp;3-</b>	
Phases 2,3 Design Development	July- August 2015
Phase 2 &3 Tender Docs	August- December 2015
<b>Phase 2-</b>	
Phase 2 Construction Tender Period/Award	September 2016-December 2016
Construction Period	December 2016-May 2018
Warranty Defects Period	May 2018-May 2019
<b>Phase 3:</b>	
Phase 3 Construction Tender Period/Award	March- May 2018
Construction Period	June 2018- July 2019
Warranty Defects Period	July 2019-July 2020

- The full project report is attached as Appendix A
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This would enable the ORIA terminal building expansion to be completed in 4 years rather than 8 years as the current schedule calls for.

- The chairman thanked Chief Officer Bodden and Mr. Scott for their assistance in progressing the project thus far.
- CO Bodden thanked the Board for their unwavering support.
- A Board member pointed out that the ongoing works in Cayman Brac were moving slowly and in particular that the expanded departure lounge was not yet in use. The Board expressed disappointment at this and requested a project plan for the Brac project completion.

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CEO

30<sup>th</sup> Oct. 2014

**4. Financial Report**

CFO Sheila Thomas presented the August YTD management accounts report to the Board. This is attached as Appendix B. She reported that year-end financials were submitted to the OAG by end of August.

As part of this presentation, the following was discussed:

- CFO to add % variance to financials and include explanatory notes.
- The board directed that the CEO resolve the apparent discrepancy with aircraft movement revenue compared to last year.
- CEO to ensure a new cost model is developed for dealing with unscheduled out-of-hours flights and those costs passed on to airlines.
- CFO expressed some concerns regarding the cash handling process and advised that she was working on a policy/process to address this, which would be sent to the Audit committee for review. The Board instructed the

Actioned By

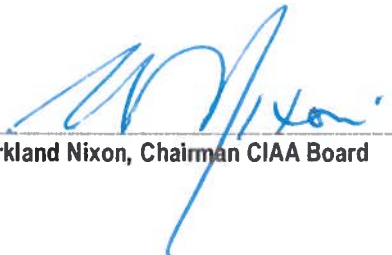
Due Date

CEO

30<sup>th</sup> Oct. 2014

<p>CEO to prioritise this policy.</p> <ul style="list-style-type: none"> <li>• CFO to get an opinion from the CIG Internal Audit department on the structure of the Finance Department including qualifications for staff.</li> <li>• CO Stran Bodden to send a copy of the Ministry DATT procurement policy to CFO.</li> </ul> <p>The CFO presented the proposed Capital Expenditure budget for 2014/15, including planned works on the Airport Development project for a total of C!\$6,165,406. After some clarifications and questions by the board, this capital budget was approved.</p>	<p>CEO Stran Bodden</p>	<p>30<sup>th</sup> Oct. 2014 30<sup>th</sup> Oct. 2014</p>
<p><b>5. CEO Report</b></p> <p>The CEO presented his report (attached as Appendix C). As part of this presentation, the following was discussed:</p> <ul style="list-style-type: none"> <li>• There was some discussion on the arrangements for establishing the FBO concession and perhaps getting that under-way from now. The CEO was asked to research how a PPP for the FBO operations could work given Government's guidance that no project under C!\$10M could be subject to PPP.</li> </ul>	<p><b>Actioned By</b></p> <p>CEO CEO CEO</p>	<p><b>Due Date</b></p> <p>30<sup>th</sup> Oct. 2014 30<sup>th</sup> Oct. 2014 31<sup>st</sup> Dec. 2014</p>
<p><b>6. Strategic Plan Update.</b></p> <p>The CEO presented the current status of the development of the Strategic Plan. While the data collection is complete, the production of the document is still a work in progress and without secretarial support this is taking some time. The CEO will keep the board updated on progress and hopes to have it completed by end of November.</p>	<p><b>Actioned By</b></p> <p>CEO</p>	<p><b>Due Date</b></p> <p>30<sup>th</sup> Nov. 2014</p>
<p><b>7. New Business</b></p> <ul style="list-style-type: none"> <li>• The chairman reminded members who had not yet signed their declaration of interests forms for 2014/15 to do so as quickly as possible and return the completed forms to the CEO.</li> </ul>	<p><b>Actioned By</b></p>	<p><b>Due Date</b></p>
<p><b>8. Closing of Meeting</b></p> <p>There being no further business, the Chairman thanked the Board and closed the meeting at 5:45pm.</p>		

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Mr. Kirkland Nixon, Chairman CIAA Board



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Mr. Albert Anderson, CEO (Secretary)