



**CAYMAN ISLANDS AIRPORTS AUTHORITY (CIAA) BOARD MEETING MINUTES
HELD AT GOVERNMENT ADMINISTRATION BUILDING CONFERENCE ROOM, CAYMAN BRAC
ON 28th SEPTEMBER 2018**

BOARD MEMBERS

Present:

Chairman: Mr. Thom Guyton
Deputy Chairman: Mr. Joel Jefferson
Chief Officer: Mr. Stran Bodden
Director: Mr. Charles Clifford
Director: Mrs. Vanessa Godfrey-Banks
Director: Mr. Nathaniel Tibbetts
Director: Mr. John Meghoo
Director: Mr. Roy Grant

Apologies

Director: Mr. George Hunter

Others Present

Chief Executive Officer/Secretary: Mr. Albert Anderson
Recording Secretary: Mrs. Martha Bush

1. WELCOME & APOLOGIES


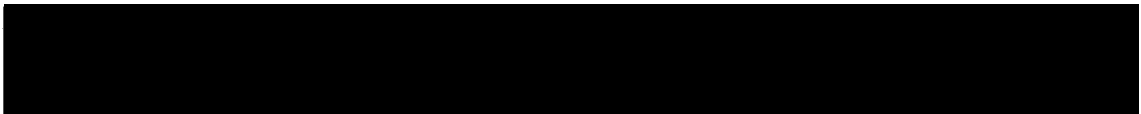
- 1.1. A quorum being present, the Chairman called the meeting to order at 10:00am. The Chairman welcomed everyone to the meeting and thanked all Directors for attending.
- 1.2. The Chairman welcomed new Director Mr. Roy Grant, retired Chief Fire Officer of the Cayman Islands Fire Service, as a valuable addition to the Board.
- 1.3. Apologies received from Mr. George Hunter who was unable to attend.

2. CONFIRMATION OF MINUTES

- 2.1. The minutes of the meeting held on 29 August 2018 were approved with minor amendments.

3. MATTERS ARISING FROM PREVIOUS MINUTES

- 3.1. **RFFS LOA:** Agreement has been sent to the Chef Fire Officer for signature.
- 3.2. **Little Cayman:** Work in progress.
- 3.3. **Temporary Departure Tent:** Still awaiting response from DART.
- 3.4. **Rubis/Sol:** The CEO advised that Rubis/Sol wanted a clause in the agreement that anyone who might provide fuel to the airport in future would have no less terms and conditions than they have. Negotiation is ongoing.

- 3.5. Revenue Opportunities:** First meeting held with Deloitte and a plan that CIAA can follow going forward should be completed within a few months.
- 3.6. Passenger Facility Charges (PFC):** After discussion the Board made it clear that they wanted to change the accounting treatment for PFC funds by creating a separate line for PFC on the Balance Sheet and not treating it as general revenue. They directed the CEO to get a legal opinion of the accounting treatment of PFC funds and then seek clearance for this from the Ministry.
- 3.7. MRCU –** Similar to Immigration issue. Awaiting meeting with Financial Secretary, Minister of DATT and the Board.
- 3.8.**  S21(1)(a)(ii)
- 3.9. Parking Management:** Still having an issue with the equipment going offline. AMANO team coming down next week to investigate. CEO met with the CNB team on the matter of compatibility with their Debit/Credit Card and they are confident it will now come to fruition.
- 3.10. ORIA Terminal Main Signage:** Addressed in Massive Media’s presentation on Branding which follows.
- 3.11. ORIA Arts Programme:** To proceed with next steps to form a committee and hire a Project Manager.
- 3.12.**  S21(1)(b)
- 3.13. ATC Recruitment:** The process is scheduled to begin on 3rd October, 2018 with the interviewing of three (3) ATC Trainees.
- 3.14. Land Purchase Proposal:** The CIAA has been asked to present a proposal to the owner of the property. It is noted that Director Roy Grant declared a relationship with the property owner.

4. PRESENTATION ON CIAA BRAND REFRESH: Rich Dyer – Massive Media (via telephone)

CEO introduced Mr. Dyer of Massive Media who undertook a research project for us to review our brand and offer some guidelines which we can use going forward in terms of our communications, signage etc. Mr. Dyer gave a review of the Research Project Report which was a Perceptions and Understanding Study and which was submitted to CIAA at the end of July.

Research Findings Summary:

- ✓ There is little demographic difference in the responses e.g. gender, nationality
- ✓ The Airport overall scored very well – people had a sense of national pride, they rated the stores, operations and cleanliness as very good as well as the security, friendliness of staff at the airport and Wi-Fi capabilities.
- ✓ Construction project also scored particularly well with consistent positive comments where questions were asked on how people were affected etc.

- ✓ In terms of issues, food options was the main complaint as well as the parking machines, the PA system in the departure lounge and lack of Retail options
- ✓ Airport perceived as not being family friendly
- ✓ Signage information – clearness of flight announcements, absence of screens etc.

The Brand: The survey revealed that most people knew that CIAA was responsible for the operations of the airport but also revealed there was a brand recognition problem where there was initial confusion with the acronym that is so close to Civil Aviation Authority's. It is recommended that the naming convention be changed to split the name CIAA into two (2) brands – Corporate and Public. The corporate brand to remain as CIAA, the public brand to be updated to "Cayman Airports". The names of the two airports, ORIA and CKIA would remain the same but the umbrella brand of "Cayman Airports" would be used instead of CIAA. This public brand would be used on our website and other advertising and the corporate brand of CIAA being used for official correspondence etc.

After discussion the Board approved the proposal of the two brands being, "Cayman Islands Airports Authority" as the corporate brand and "Cayman Airports" as the public brand.

Next Steps:

- Massive Media to produce a brand guidelines manual which will define parameters of letterheads, business cards etc.
- CEO to send written confirmation of the approval of the branding recommendation and instruction to proceed immediately with the new sign for ORIA.
- Massive Media to recommend the positioning of the sign. CEO to set up a meeting with the contractor.
- CEO to circulate the full marketing survey results report to the Board.

The Board thanked Mr. Dyer for his presentation.

5. New Employee Policies Handbook

The CEO gave a brief summary on the groundwork of the handbook including a focus group representing various departments. The presentation on the new draft handbook, previously circulated to the Board, outlined the major changes to the existing handbook, created in 2004 with only minor changes to date. After examination and discussion of each chapter, the Board recommended that:

- (1) the required time of acting in order to receive the acting allowance be reconsidered using discretion and flexibility like a tiered process and also to examine the Civil Service Policy on Acting and
- (2) the employees' contract of employment to state that the handbook forms a part of that contract.

The Board approved the issuing of the Employee Policies Handbook subject to the revisions stated above.

6. MONTHLY FINANCIAL REPORT – CFO (via telephone)

6.1. Executive Summary:

- The results have been good so far with revenue up 10% over the previous year and that trend is expected to continue through to the end of the financial year
- Expenses have increased – 13% up over the same period last year. This mainly resulted from increase in headcount hence increase in salary expenses, as well as past service liability and a bigger infrastructure to maintain. Levelling off is expected at the end of the year.
- Revenue performance is higher than projections and better than last year.

6.2. KPIs:

- Very strong going into the 3rd Quarter
- Financial position shows improvement in net worth driven by increase in asset value
- State of Revenue Performance:
 - ✓ Aircraft Movement up 1%
 - ✓ Passenger Movement up 10%
 - ✓ Expenses: personnel costs/ utilities have increased
 - ✓ Performance is even on expenditure vs budget

6.3. IATA Collection Framework: This was discussed and CEO will be arranging a meeting to discuss how it works.

6.4. CAPEX: Actual spend is lower than budget with funds still available.

6.5. Forecast Cash Flow: Forecast is to carry cash into 2019, which will assist with the Airside Upgrade. Consideration to be given to how the airfield upgrade projects can be prioritized through 2019/2020. Cautiously optimistic that we will end the year doing better overall.

6.6. Audit Report:

- ✓ 2014/2015 Audit complete with no qualifications
- ✓ Expect audit concerns with controls but all recommendations are being implemented immediately
- ✓ Expect the 2015/2016 Audit to be completed by mid-October/early November, 2017 by December and the audit for this year will start in May 2019.
- ✓ IT Audit is just about finished and a preliminary report will be presented by next meeting
- ✓ CFO to supply the Board with a detailed breakdown on the over budget Contracted Services.

The Board thanked the CFO for her presentation

7. OPERATIONAL UPDATE – CEO ALBERT ANDERSON

- 7.1. Monitors:** Discussion ongoing with CUPPS on putting the monitors to sleep when not in use or changing the display.
- 7.2. Cayman Airways:** Discussion on CAL having specific check-in counters is to be discussed further.
- 7.3. Glass Installation at front:** Slowed down but moving again.

- 7.4. Immigration:** Additional space to be handed over in October.
- 7.5. Concessions:** Some stores and food outlets will be ready to fit out for opening end of December.
- 7.6. CAACI Recertification extension request:** Not yet granted.
- 7.7. Environment:** In the next year, CIAA will be focusing on programs on international waste and recycling, energy conservation and carbon footprints.
- 7.8. ATC Staffing:** Awaiting written “go ahead” from CAACI on the plan but they have indicated verbally that they are happy with it. This includes certification of the Jamaica and Dominican Republic training centres. The recruitment process has started.
- 7.9. AVSEC Audit:** Five of seven findings closed with the two outstanding to be closed shortly.
- 7.10. Air Traffic Flow Management:** CIAA is now a member of CADENA (CANSO [Civil Air Navigation Services Organisation] ATFM [Air Traffic Flow Management] Data Exchange Network for the Americas which will provide assistance in controlling the flow of air traffic into and out of Cayman, thus avoiding overcrowding of airspace during peak times. Cayman is a part of the Caribbean region which, along with Mexico and Central America has the highest percentage of international traffic out of the U.S.A. in the western hemisphere.
- 7.11. Ongoing Projects:** CEO gave updates on the following:
- Airside Project- estimated completion of design - November 2018
 - Procurement of AVSEC Security Screening Equipment – Reverse auction date pushed back pending completion of technical review.
 - Inventory Management- shelving being purchased
 - General Aviation Consultancy – first draft being prepared
 - Crosswalk remediation project – initial scope complete
- 7.12 Staffing:** CEO gave an update on staffing levels and staff social activities
- 7.13. AETNA Statistics:** CEO presented some statistics on claims, health profile of the organisation etc.
- 7.14. Government Entities Debt:** The non-payment of rent by government entities is still an issue. The AG has stated that we still have to do due diligence in trying to collect so CIAA needs to have documentation in place.
- 7.15. Sir Turtle Lounge Proposal:** CEO advised that due to space constraints on the second level, only two options are available - downstairs or CAL to utilise the common use lounge. The Board directed the CEO to discuss the options with CAL CEO.

8. AOB

- 8.1. Meeting with Airport Partners:** Set for 17th October
- 8.2. Other Meetings Dates:** BAC/BFC combined meeting for 16th October, AVSEC Committee meeting set for October 26th and Board meeting for December on 19th.
- 8.3. New Member Committee Appointments:** Mr. Roy Grant was appointed to the following Board Committees:
- Executive
 - Governance
 - AVSEC

- Planning & Development
- Risk Oversight

8.4. Signing of Resolutions: Resolutions signed were:

- i. update of RBC signatories
- ii. update of CNB Signatories
- iii. Stantec Design Variation of Airside Works project
- iv. submission to Ministry for COLA/Pay Stagnation/Off Scale Point Adjustments

9. ADJOURNMENT

There being no further business, the meeting adjourned at 3:45 pm.



Mr. Thom Guyton-Chairman



Mr. Albert Anderson-Secretary