



**CAYMAN ISLANDS AIRPORTS AUTHORITY (CIAA) BOARD MEETING MINUTES  
HELD AT OWEN ROBERTS INTERNATIONAL AIRPORT CONFERENCE ROOM  
ON 31<sup>ST</sup> OCTOBER 2018**

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**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  
Director: Mr. George Hunter

**Apologies**

None

**Others Present**

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

**1. WELCOME**

- 1.1. A quorum being present, the Chairman called the meeting to order at 12:00noon. The Chairman welcomed and thanked all Directors for attending.
- 1.2. The CEO/Secretary apologized for the lack of an Agenda and stated that the meeting will follow the standard Agenda.

**2. CONFIRMATION OF MINUTES**

- 2.1. The minutes of the meeting held on 28 September 2018 were approved.

**3. MATTERS ARISING FROM PREVIOUS MINUTES**

- 3.1. **RFFS LOA** has now been signed by all parties and is to be sent to CAA for approval.
- 3.2. **Little Cayman:** Work still in progress.
- 3.3. **Temporary Departure Tent:** No response yet received from Dart. It had been put out to auction but received no bids. It was suggested that it be re-advertised at a lower price.
- 3.4. **Rubis/Sol:** No further progress.
- 3.5. **Revenue Opportunities:** After several preliminary meetings, Deloitte is now moving forward.

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- 3.6. **Passenger Facility Charges (PFC):** CEO advised that an email was received stating that CIAA will need to pay dividend at the end of the year. This is of concern if PFC funds are recognized as Revenue.
  - 3.7. **Auditor General's Report on the ORIA Terminal Development Project:** At a meeting held with the AG it was confirmed that the report will be released at the end of February.
  - 3.8. **ATC Recruitment:** Interviews were conducted with Four (4) ATCO Trainees and it is proposed that offers be made to all of them. A letter has been sent to Jamaica to begin immediate recruitment of four (4) qualified ATCOs with continuing efforts for the long term arrangement. The target date for the on-boarding of these qualified ATCOs is January but they will not be functioning immediately as they first need to be certified by CAA.
  - 3.9. **Land Purchase:** In progress – expect to propose a lump sum and repayment over 5 years.
  - 3.10. **Brand Refresh:** Received proposal on the signage design options which will be sent to the Board. However, the signs will not be in place for the opening. The branding guidelines are still to come.
  - 3.11. **New Employee Policies Handbook:** CHRO has made the recommended changes. Awaiting CEO's sign off.
  - 3.12. **IATA Collection Framework:** CEO needs to discuss with CFO.
  - 3.13. **CUSS (Common User Self Service Kiosk):** Terminals installed but not yet online.
  - 3.14. **Sir Turtle Lounge:** CAL's board has accepted the downstairs space.
  - 3.15. **VIP Lounge:** The Board agreed that CIAA would do explore the option of doing a complete "fit out" the lounge and then attempt to lease it. It was recommended that the Project Manager meet with the stakeholders (airlines who would use it) to find out what they wish to see and the same consultant previously used would be asked for ideas.
  - 3.16. **Glass Installation:** The edges of the front section soon to be completed and work will then start airside.
  - 3.17. **Airport Partners Meeting:** As a courtesy, CEO will have a follow-up meeting with FADS To address their issues.
4. **AVSEC REPORT – AVSEC Committee Chairman – Mr. Charles Clifford**
- 4.1. An AVSEC Committee meeting was held on 26th October 2018. Following is a summary of the Chief Security Officer's report.
    - 4.1.1. AVSEC QMS Manual is complete with new process to commence 5<sup>th</sup> November. We are the first Overseas Territory to implement it. The Inspection program and schedule will enable the accurate recording of Security Performance Data and will effectively track and resolve issues before the annual regulator audits.
    - 4.1.2. All seven (7) Audit Findings are now closed.
    - 4.1.3. There are two (2) deviations relating to the protection and security of airside of a 3-metre setback of the fence. Both are expected to continue into 2019.
    - 4.1.4. Data collected on baggage and passenger screening over the past 3 months in all cases have consistently exceeded the minimum required percentages from 1-3%.
    - 4.1.5. Passenger Screening contract was awarded to FADS, who was the only bidder, for a period of 3 years. Outsourcing has proven to be an ideal model allowing CIAA to

effectively monitor the quality of service without any perceived biases and provides significant cost savings when compared to bringing the service in house.

**4.1.6. Security Screening Equipment (X-ray Machine in Cargo area) Procurement:** The RFP for screening equipment is a joint venture with the Prison Service, Customs & Border Control, Port Authority and the CIAA. The process is on the way.

**4.2. Recommendations to the Board & Action Items:**

1) Outsource all security screening duties.

**Action:** CEO to produce Business Case

2) Airport Police Force to conduct policing duties at airports and maintain the safety and security of the travelling public as the present arrangement is not ideal.

**Action:** A formal request to be made to the Governor to form a unit. Request to be signed by the Chairs of the BoD and AVSEC Committee.

3) Develop plan to build Command Center at CP2 (eliminating GAT checkpoint) incorporating AVSEC screening operations and AOCC operations. This will increase operational effectiveness and reduce AVSEC cost.

**Action:** CEO to proceed with preparation of Business Case.

4) Authorize creation of post for Screening Equipment Technician (due to high O/T costs).

**Action:** CEO to prepare Business Case.

4.3.

S15(a)

**5. MONTHLY FINANCIAL REPORT – CFO Ms. Sheila Thomas**

**5.1. Executive Summary:**

5.1.1. 12% year on year growth in passenger numbers resulting in a YTD 10% increase in revenues and 4% ahead of budget.

5.1.2. Expenses 2% better than budget and 13% worse than previous year but that is reasonable.

5.1.3. YTD Net operating results surpassed budget by 35%

5.1.4. Revenue performance doing much better than budget overall.

**5.2. KPIs:**

5.2.1. Passenger cost compared to passenger revenue shows little difference

5.2.2. Cost per Movement vs revenue is a bit up – overall up over last year

5.2.3. Qtr 3 Outturn is up over the same Qtr last year and on target to finish above the last year.

**5.3. EXPENSES:**

- Utilities, staff costs, supplies and consumables etc., are up over last year but this is balanced by the increase in revenue so we are 6.5% better than budget and expect to do much better by year end

**5.4. FINANCIAL POSITION:**

- Property and Plant assets have increased tremendously due to the revaluation of property.

**5.5. CAL UPDATE:**

- Doing better on receivables. Expecting to get a meeting with the Minister of Tourism (Deputy Premier) and the Minister of Finance along with both the Chairs of CAL and CIAA, to resolve the issue of outstanding debt and how to mitigate it going forward. It was suggested that at same the meeting, (once CAL has departed) CIAA Chair to speak on the Immigration debt and any decision made to be documented.

**5.6. CAPEX:**

- Actual spend is under budget for the year.

*The Board thanked the CFO for her presentation*

**6. OPERATIONAL UPDATE – CEO ALBERT ANDERSON**

**6.1. REVENUE:**

- 6.1.1. **Parking Revenue:** Previous challenges with reports now resolved. 1.6% decrease in revenue YoY
  - 6.1.2. **Passenger Fees:** 12% increase YoY –following the same trend as previous year
  - 6.1.3. **Fuel Revenue:** 11% increase YoY
  - 6.1.4. **Aircraft Movements Revenue:** Up 3.6%
  - 6.1.5. **PFC Revenue:** 11% increase YoY
  - 6.1.6. **Pax Movements Revenue:** Following the same trend
  - 6.1.7. **Rent Revenue:** Decreased due to construction but is starting to go back up
  - 6.1.8. **Total Revenue:** Up 12% with a significant increase in non-aeronautical revenue
- 6.2 AERODROME CERTIFICATION:** Request for recertification for 2 years was submitted. Extension received to 31<sup>st</sup> December 2018.
- 6.3 ATC MANNING:** Plan being executed.
- 6.4 CNS CERTIFICATION:** On track with approved plan due in March 2019. CNS current manager resigned and former Consultant James Prideaux will provide oversight until someone is in place.

*Director John Meghoo was excused at 3:00pm and returned at 3:45pm*

- 6.5 CIFS AGREEMENT:** Agreement addressing CAACI concerns signed by both parties. To be submitted to CAACI by 2 Nov. 2018.
- 6.6 AIRSIDE PROJECT:** Design work in progress with estimated completion November 2018. 60% review completed.
- 6.7 CKIA RESTROOMS:** Substantially complete. Some minor issues to be addressed.
- 6.8 LANDSCAPING RFP ESTAR:** Submitted to CTC. Need for identification of trees being donated so that they can be removed from the contract.
- 6.9 SECURITY SCREENING EQUIPMENT PROCUREMENT:** Reverse auction planned for 2nd November.
- 6.10 GAT MASTER PLAN:** Meeting has been arranged with WSP for them to provide an update.

- 6.11 STAFF HEAD COUNT:** Decreased in 3<sup>rd</sup> Qtr by 3 (201 vs 198) as recruitment lagged behind departures.
- 6.12 QTRLY STAFF MEETINGS:** Went very well and announcement was made on the approval of COLA and Pay Stagnation payments.
- 6.13 DIVIDEND PAYMENT REQUEST:** CEO to send to the Board copy of document received from Ministry of Finance re payment of dividends. CEO advised that there is a clause whereby no payment of dividend will be made if the funds are needed to complete projects.

**7. AIRPORT REDEVELOPMENT– Project Manager – Mr. Roy Williams**

**7.1. Construction Update:**

- Immigration Hall completely handed over
- Fabric canopy installation scheduled for mid November
- Meet and greet and Tourism booth handover in mid November
- Ability to walk from end to end of terminal
- Departure gates 8 and 9 at the end of November
- Airside Canopies ongoing
- Banner installation in process – completion early Jan.
- Duty Free mall construction ongoing

**7.2. Current Major Issues include:**

- Maintaining Schedule to stay ahead of high season
- RSH Additional Fees for extended CA services
- Concessionaire Management
- Failure of existing roof membrane-pockets of leaks
- CIAA FFE procurement of Finance furniture and departure hall seating
- Landscaping RFP
- 2nd level VIP Lounge- awaiting a decision
- Baggage Arrivals Canopy

**7.3.** [REDACTED] S21(1)(b)

[REDACTED] S21(1)(b)

**7.4.** [REDACTED] S21(1)(b)

[REDACTED] S21(1)(b)

**7.5. Concession Update:**

- Island Companies now in construction - anticipate opening in November
- Jacques Scott - moving toward 100%
- Tortuga Rum –at 90% - construction next week
- Brew Hut –complete
- Wendy’s – moving toward 100% has a power demand issue but scheduling for opening in January
- Subway – moving toward 100%

- Last Chance Souvenirs – at 60%
- Island Taste - no action

**7.6. Airside Projects Update:**

- 60% design drawings submitted
- Discussing approach to construction, how it will affect field operations and how the airlines can help to get the job done
- Tendering process to begin in December

**7.7. Additional turn pad/taxiways:**

- Meeting held with airlines on 17<sup>th</sup> October
  - Discussed approach to runway extension and strengthening- how it will affect operations and how the airlines can help to get the job done.
  - Three options were presented
    - 1) Night time work to be done in 3 phases – 150 days for completion
    - 2) Night time work in 2 phases – 60 days for completion
    - 3) Extended closures for 1 day per week – 7-8 days for completion – propose work on Tuesdays which is the slowest day
- These options require Cabinet and CAA approval as well as stakeholder buy-in. Endorsement is required from the Airlines' local and head office as well.
- Work can begin in August 2019 and Roy to send the 3 options to Chief Officer Stran Bodden who will prepare a cabinet paper.

*The Board thanked the Senior Project Manager for his report*

**8. AOB:**

None

**9. ADJOURNMENT**

There being no further business, the meeting adjourned at 4:25 pm.



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Thom Guyton-Chairman



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Albert Anderson-Secretary