
**National Roads Authority
Minutes of the One-Hundred & Ninety-eighth Meeting
of the Board of Directors
held in
NRA Conference Room,
370 North Sound Road, George Town, Grand Cayman
Thursday 30th June, 2016 at 9:30 a.m.**

In attendance were:

Donovan Ebanks	Chairman
David Arch	Director
Dane Walton	Director
Stanley Panton	Director
Kenross Connolly	Director
Gary Clarke	Director
Tristan Hydes	Director Designate of Chief Officer, Ministry PLAH&I
Paul Parchment	Managing Director – NRA
Edward Howard	Deputy Managing Director – NRA
Julie Campbell	HR Manager (Acting Executive Sec.) – NRA

Invitees:

Jon Hall	Lands & Survey
Olsen Bush	CFO – NRA
Mark Scotland	Special Project Engineer - NRA

1. Call to Order

The Chairman called the meeting to order at 9:50am

2. Minutes of Previous Meetings

- a. 26th May 2016 – confirmed
- b. 16th June 2016 – reviewed and changes noted

3. Administration

3.i NRA Employee Post-retirement Healthcare & Pensions Benefits

Minutes of 28th April

Following the extra-ordinary board meeting on 20th April when the board accepted Mr. Dunn's recommendation to seek actuary valuation and where the Chairman requested Mr. Dunn to enquire if the valuation could be done locally. The MD advised Board Members the Auditor General suggested the NRA seek to have Mercer conduct the actuary valuation having dealt with other Statutory Authorities Government Companies (SAGC).

With regards to the qualified opinion, the MD informed the board a letter outlining the NRA's intension was drafted and sent to the Auditor General.

Minutes of 12th May 2016

The MD reported they were still working through the process. Currently they were working with the Public Service Pensions Managing Director who is liaising with Mercer on their behalf.

Minutes of 26th May 2016

The MD reported Mercer requested additional information which was provided to them, so they are now in possession of all the necessary information. They are now waiting for them to respond with the actual cost and timeline of the valuation.

Minutes of 16th June 2016

Board Members were advised by the CFO that he expected a valuation report from Mercer between 21st and 24th June.

The MD explained that although we had received a figure of \$11.4 million from the actuary, the figure was not broken down into the categories requested by the CFO and he requested the CFO apprise the Board of the actuarial report. The CFO explained he requested the breakdown of the liability prior to 2004 and from 2004 to date; however he confirmed the MD's statement that the figure received was the total liability and therefore he requested further clarification on the figure. In the meantime he was in discussions with Mr. Dunn regarding how to approach the Ministry on their portion of the liability. The CFO suggested the Ministry could interject the amount necessary by way of funds or assets.

Upon questioning the CFO clarified the actuary report only dealt with the NRA's medical liability and not pension, he was still awaiting the figures for the pension liability. The Chairman asked the CFO if he was aware of the projected period for which the funds would become due. The CFO replied that there were so many variables, the main one being the age of the employee. The Chairman advised once the clarification of the actuarial report was received and reviewed then recommendations could be made regarding the investment of funds.

3.ii. Salary and Wages award

Minutes of 16th June 2016

The MD referred to the Memorandum addressed to the Chairman with regards to the 2.2% one-time gratuity awarded to the Civil Servants by the Premier. The Memorandum sought permission from the Board to award the same to NRA employees. After debating Board Members agreed that since the one-time gratuity was performance based they would award a 1% one-time gratuity payment at this time; with an organization performance review in December 2016. At that time the Board will evaluate the performance of the organization as a whole to ascertain if objectives were met. The outcome of the evaluation will dictate if another one-time gratuity would be warranted. The Board agreed this could be up to 1.2%, dependant on what they deem appropriate.

The Chairman directed the MD to remind employees that as a SA and with no directive from Cabinet the NRA is not obligated to conform to decisions made by Government applicable to Civil Servants.

During discussions Director Clarke requested information pertaining to performance appraisals, salary reviews and increment awards. The Acting Executive Secretary advised Board Members of the procedures in place and advised in some instances increments were not given to employees for a number of years for several reasons. The Chairman requested the Executive Secretary (HR Manager) to prepare a salary history report for the past 10 years for all staff. This report should give details of salaries during this period at NRA and should indicate the basis of changes, e.g. organisation-wide increase, individual increase following performance appraisal, increase following promotion, etc.

The Chairman thanked Board Members for their response to the round-robin regarding the 2.2% one-time gratuity payment and asked the MD if it and the circular were distributed. The MD informed Board Members both were distributed during a meeting with employees where he emphasised the Board's position on future performance based awards.

3.iii. Proposed 2016-2017 Budget – CFO/MD

The MD and CFO referred to the document previously circulated via email as well as hard copy. The MD explained there were comments inserted in certain areas of the document which clarified that particular appropriation and therefore it was better to view the document via computer. The Chairman asked the MD to revise the document to correctly reflect the 'Proposed appropriation' and the 'Appropriation' figures. Director Clarke asked for the details on the Administrative aspect of the budget as it was not outlined as per the May NRA Financial Report, pg. 8, presented to the board at the previous meeting. The CFO explained administrative costs were incorporated in each vote. The Board queried how administrative costs were accounted for, how were they budgeted and how were they controlled.

The Chairman instructed the MD to revise the report indicating administrative costs as well as develop a Capital Works Programme. The MD advised he would have the revised report by the end of the day.

4. Planning

4.i. Linford Pierson Hwy widening – update

Minutes of 26th May 2016

The Chairman advised members the boundary plan for Phase I was approved by cabinet and was scheduled to be gazetted in an extra-ordinary gazette the following day Friday 27th May or Monday 30th May.

Redacted under Section 17(a) of the FOI Law 2015

Minutes of 16th June 2016

Redacted under Section 17(a) of the FOI Law 2015

The Chairman introduced Mr. Mark Scotland and thanked Board Members for their response to the round robin to engage Mr. Scotland's services. The Chairman explained Mr. Scotland was introduced to staff the previous day where his role was clarified. The board agreed a project of this magnitude needed a physical presence and thanked Mr. Scotland for his availability and wiliness to assist.

Board Members shared with Mr. Scotland their concerns and recommendations following two projects and advised it was vital the project is well organized as it would affect a vast number of road users.

The DMD gave a brief update on the progress made thus far on the roundabout withdrawn from the gazettal pending discussions with property owners. He

Redacted under Section 17(a) of the FOI Law 2015

week. The Chairman

of the roundabout and commented that once property owners were in agreement we should seek to legally secure the properties to mitigate the risk of property owners changing their minds in the future and lobbying for further changes.

Special Projects Manager (SPM) Mr. Scotland advised Board Members he was spending his time gathering design information. They were currently clearing the site in order to collect topographic information. Senior Engineer (SE) Edison Jackson and Engineering Technician (ET) were currently working on design and it was hoped in a couple of weeks sub-base work would commence.

The SPM presented the board with two cross sections and advised the next step would be to provide Board Members with the cost so they can determine the more economical option. He further advised additional topographic information was required on the section of the road closer to Agnes Way and would be seeking to have that survey completed.

He reiterated he was expecting sub base works to begin on the 11th July and at that time he would provide an updated schedule. He further advised he was in contact with property owners where topographic was being conducted.

4.ii. Traffic simulation/forecasting model

The DMD updated the board and advise the consultants were still waiting on employment data. He advised that the ESO suggested they tweet their labour survey in order to provide them with the information, which was: where individuals live and their route to work. The DMD advised the Health regulator did not have the necessary info and they have reached out to Chamber of Commerce who have access to over 17,000 companies. Board Members enquired if the National Pensions Office should have this information and the Chairman suggested he accompany the DMD to their offices to ascertain the possibility of obtaining the necessary information and advise them what it was needed for.

The Chairman inquired if this information was the only information needed, the DMD confirmed it was and is a fundamental piece to the model. Board Members discussed ways in which this information could be obtained from individual organizations. The DMD suggested the ESO survey by the ESO would be the best route. The Chairman inquired as to the time frame once the information was received, the DMD advised 6 -9 months. Chairman indicated it was his intention that once the traffic count information became available they would realise the requirements for the software, the RFP could be completed to bring someone on board to create the model. He was anticipating this could be done by the end of the 2016 budget year. The MD suggested a schedule of both the Traffic Model progress and the Traffic Count exercise be created by the DMD and both items remain on the agenda until completion.

The DMD was instructed to produce a schedule of both projects in order to keep Board Members updated.

The DMD presented a schedule to Board Members and explained the timeline. He explained the consultants were eager to push the timeline by providing information out of the US in order to facilitate the information needed to create the model. However he advised them this would not be acceptable as the model was to be formed on local data. The DMD further advised that between now and March 2016 they should have the employment data, with RFQ in January and

RFP in February or March. From the schedule he advised Board Members that Phase 1- The Travel Model would that 8 – 12 months due to training, therefore they would be looking at January 2017.

The DMD advised they were utilizing all contacts within the Private and Public Sector to obtain the information needed for the employment data. He advised the RFP will be a complex document and it would be necessary to procure assistance for its development. It is hoped the Chairman advised that the individual who assists with the RFP would assist with the tendering process.

No update given.

Due to time constraints, this item was set aside for update at the next board meeting.

Deferred until next meeting.

Deferred until next meeting.

Minutes of 28th April

The DMD displayed the scheduled and explained they were about two months behind. A draft RFP was completed and a firm engaged to assist with its completion. The firm the DMD advised was the same firm contracted by APEC. He expected the RFP to be completed by mid-May. The RFP would be used to develop 2 models by mid-June, the models he explained were:

- First model – A macro model is a travel model.
- Second model – A traffic operations model, would be developed with the information provided from the first model.

Minutes of 12th May

No update given at this time.

Minutes of 26th May 2016

The DMD confirmed the consultants were on island and following meetings with them they were in the process of fine tuning what type of model would be more appropriate for the NRA. The DMD further confirmed that once the RFP was completed then it would go to CTC. The consultants, the DMD stated would were willing to assist with sourcing bidders and they were currently looking at 5 or 6 bids on the model. The Chairman requested a copy of the draft RFP.

Minutes of 16th June 2016

Due to time constraints, there was no update given at this time.

Due to time constraints, there was no update given at this time.

4.iii. 2015/2016 Traffic count exercise

The DMD informed the board all works were completed and they were currently awaiting validation and a full report which was expected early May.

Deferred until next meeting.

Minutes of 28th April

The DMD reported he had received a preliminary report and expected to receive the full report by mid-May.

Minutes of 12th May

No update given at this time.

Minutes of 26th May 2016

The DMD confirmed they received the information from SEMIC and were currently in the process of validating the numbers. He anticipated mid-June for the final report. The Chairman reiterated the importance to generate a traffic count maintenance schedule. The schedule would provide an update as to how often, when, what stages, main counts or interval counts should be completed.

Minutes of 16th June 2016

Due to time constraints, there was no update given at this time.

Due to time constraints, there was no update given at this time.

4.iv. Minister/MD discussion – Future Projects

The MD advised the Minister was keen to have the following projects completed:

1. The CNB link
2. Eastern Avenue to Elgin Ave and
3. The Linford Pierson Highway Expansion.

5. Operations

5.i. Capital Projects update and Jan – Jun 2016 schedule

a. Red Bay Roundabout – reconstruction

Minutes of 26th May 2016

Board Members were informed the preparation works for the third lane would commence the following week. Press releases were scheduled to go out this week. The base would be prepared for the major works to begin in July. Old Prospect Road works would commence next week for anticipated use in July. Director Panton reminded the MD to ensure peak hours were taken into consideration when managing the works.

Minutes of 16th June 2016

The MD informed the board curbing was contracted and was scheduled for July. He advised as there was only one company who could do the Type F curbing, we were not in control of when it could be done, but when they could fit us into their schedule.

Due to time constraints, there was no update given at this time.

b. Bodden Town Rd. vicinity of Midland Acres – mill and pave

The Chairman recommended it would be beneficial to conduct an island wide survey to identify areas which are not only in need of mill and paving, but also those that may need to be reconstructed. Director Walton suggested they use the information obtained from a survey previously conducted to ascertain predicted road conditions. The Chairman stated it was important for the department to have this information and suggested it warranted further discussions by the board.

Minutes of 16th June 2016

The Board was informed by the MD that paving was completed and it was anticipated the shoulders would be completed by the end of June. The MD further advised the survey team would be surveying the south side to establish, identify and mark boundaries.

The MD advised the mill and paving was completed and the shoulder works were starting.

c. Linford Pierson Hwy widening – proposed compensation settlements

Minutes of 26th May 2016

The Chairman invited Mr. Hall to update Board Members on communications with property owners regarding compensation claims. He added the Minister did some ambassadorial work prior to Mr. Hall's approach. With the Minister approaching property owners who were not responsive to the board, he was able to discuss with them:

- a) Issues regarding the quantum they are expecting.
- b) Setting precedence – The process with which we will be following
- c) The decision making process as it relates to compensation claims - the board considers proposals that it deems as being reasonable and makes the recommendation to Cabinet who makes the final decision.

Mr. Hall referred to the email previously sent to the Chairman that outlined 4 suggested settlements:

1. 20E S.23(1) (land swap only)
Compensation approved as per recommendation.
2. 20E S.23(1) (new-for-old dwelling & 2 bed annex)
The Board asked Mr. Hall to revise the figures based on the valuation and other costs and provide a recommendation.
3. 20E S.23(1) (new-for-old 4+2 bed duplex for current dwelling & 2 bed annex)
The Board asked Mr. Hall to revise the figures based on the valuation and other costs and provide a recommendation.
4. 20E S.23(1) – residential investment property
Compensation approved as per recommendation.

Board Members shared the Chairman's concerns regarding the disbursement of funds for the 'ex-gratia' payment outlined by Mr. Hall, as well as the management of funds for new replacement dwelling as indicated in 2 & 3 of Mr. Hall's email. The Chairman, as noted above, requested Mr. Hall provides the board with revised figures that outline the two elements:

- Compensation monies and
- Ex-gratia payments.

This should be circulated to Board Members for approval and subsequently sent the Ministry for payment details.

The Chairman asked Mr. Hall to approach S.23(1) and representatives from the S.23(1) S.23(1) to establish a compensation cost figure.

Minutes of 16th June 2016

Presented with the claim from S.23(1) by Mr. Jon Hall, the Board agreed to the following:

- BP 592 – 20E S.23(1)
1. Approve to pay the sum of C\$90,000
 2. The remainder of 20E S.23(1) is to be combined with 20E S.23(1) to create one parcel, with new boundaries established and any associated fees or duty borne by the NRA.
 3. Existing fencing and concrete walls to be replaced at the same height as existing.
 4. Any soil excavated from the lots is to be deposited back on the remaining lot.
 5. Any fruit trees that may be uprooted are to be removed from the property along with any other debris as requested.

Mr. Hall advised Mr. Obi was representing the S.23(1) however they had yet to submit a claim. The Chairman advised Mr. Hall in the event other claims were received he should be notified, as these claims could be dealt with via round robin.

The Chairman informed those present following discussions with the Ministry; they agreed to accrue the liability for the compensation claims under BP592. Following this the Chairman instructed Mr. Hall to approach the property owners of 20E [REDACTED] and 20E [REDACTED] which he advised he intended to do the following week.

The DMD informed Board Members he had met with the S.23(1) [REDACTED] and provided them with an updated drawing in relation to the roundabout. He stated they were in agreement with parcel 20D [REDACTED] being divided into equal portions to provide access. The DMD advised he was meeting with the representatives from the S.23(1) [REDACTED] the following week.

6. Other Business

6.i. CIAA/NRA Traffic Study – ORIA Terminal Site & Adjacent Roads

The MD advised consultants for the project would be arriving on the following Monday with a kick off meeting on Wednesday.

Deferred until next meeting.

Minutes of 12th May

No update at this time.

Minutes of 26th May 2016

The Chairman expressed his concerns, that having attended a meeting on 23rd May, the CIAA had not looked specifically at the airport connection to main roads.

Minutes of 16th June 2016

Due to time constraints, there was no update given at this time.

Due to time constraints, there was no update given at this time.

6.ii. CIG/Dart/NRA Agreement – 3rd amendment

The DMD updated Board Members on the report regarding the 5 leg round-a-bout and advised this would cause traffic conflict. The only way for this to work would be to make the round-a-bout egg shaped. He advised he has informed Dart who are currently working on the amendment to the drawing.

The MD presented drawings which illustrated the cross section, projections and recommendations:

Construction costs to widen existing 80' ROW TO 4 Lanes: **CI \$5.05M**

Acquire 20' of ROW to allow build-out to **100'**: **CI \$2.877 M (As per L&S Estimate)**
Construction costs to widen future **20'** ROW to allow for 6 Lanes: **CI \$1.1M**

Total Cost: **CI \$9,027,000**

The Chairman advised the MD to develop a cross section which would include 6 lanes and explain the values to both cross sections for the board to review.

The MD advised Board Members the Minister had queried paving 6 lanes if they were not scheduled to be in immediate operation. The MD had advised him the best way forward was to acquire the land now for the 6 lanes. He further advised work would not commence until there was an agreement on price and instructed the MD to prepare a revised cost estimate for all works.

The Chairman asked the MD who would have oversight of the project. The Board recommended that the MD:

- revise the estimate to make provision for project management; and
- employ a suitable individual on a two-three (2-3) year basis.

Chairman asked the MD if he discussed the numbers with Director Hydes and the MD replied that he had.

No update given.

Director Hydes advised Board Members that they were waiting on a report from PWC.

Deferred until next meeting.

Minutes of 28th April

No update at this time.

Minutes of 12th May

Director Hydes updated the board on the changes made to the agreement regarding changes to incentives and advised he was seeking approval from the board to sign the agreement. The Chairman informed Director Hydes, that while the board was disappointed with the way the agreement was handled they accepted it.

Minutes of 26th May 2016

There was no update as to whether or not the agreement was signed.

Minutes of 16th June 2016

Due to time constraints, there was no update given at this time.

Due to time constraints, there was no update given at this time.

6.iii. Legal Action – S.23(1)

The MD advised that the consensus was that the compensation agreement was valid. However, did not prescribe a specific access point. Board Members discussed other access options based on drawings presented by the MD. The Board directed the MD develop on the recommendations discussed by the Board and produce:

- a proposal which should include the possibility of the land owner having to relinquish property for a deceleration and acceleration lanes; and
- a proposal providing access from local roads and linking into N Sound Rd but with no access to the ET Hwy.

MD stated that they are expecting a response from this meeting and proceeded to read a recent email received from Chief Financial Officer S.23(1) for S.23(1). He went on to say they were shown the proposal based on the 3rd Amendment that explains the Deceleration lane and the Acceleration lane which they did not approve. The MD further stated that S.23(1) wants a time frame of completion and the purpose of their initial purchase was to place a propane holding tanks at the location but has since purchased property in the Industrial area off Sparky Drive and as such may not have to use that area for the original purpose again. The MD stated that we informed S.23(1) Ltd. access cannot be given until after the road has been built. Chairman stated that they are entitled to compensation if the access is not given and that we could offer and invite for them to look at the differentials etc.

Chairman asked Director Hydes had he ran this by the Minister. MD added that to establish a cost based on 2 things: Access for S.23(1) only or consider the costs of having to pay both S.23(1) etc. for the alternative option. He noted that the latter would incur much higher costs on the government. Chairman asked the MD if he believed that if we proceeded with the Blue Access as indicated in the drawings, if costs would be incurred for government/NRA. He went on to ask if we can initiate a hold off. MD stated that the Standstill is what they want to oppose. MD said if we set precedence with S.23(1) we will have to do same with S.23(1). Chairman asked for thoughts from the board on the Standstill? To move forward with a hold – all were in agreement. He said we are at the point of finalizing S.23(1) and the best interest of the standstill is for 90 or days in which they can proceed to seek remedies etc. He asked the boards opinion...all members agreed.

No update given.

The MD advised the standstill was executed.

Deferred until next meeting.

Minutes of 12th May

No update given at this time.

Minutes of 26th May 2016

The Chairman asked the MD to set up a timetable to deal with the standstill as it would not be advisable to wait the 90 days and then seek remedies. There should be some movement on the NRA part.

Minutes of 16th June 2016

Due to time constraints, there was no update given at this time.

Due to time constraints, there was no update given at this time.

6.iv. Late Claim for Compensation – S.23(1)

Deferred until next meeting.

Minutes of 28th April

Mr. Hall advise the Chairman although there was an offer made, he had not spoken to S.23(1) however planned to do so in order to conclude the claim within the next couple of weeks.

Minutes of 12th May

No update at this time.

Minutes of 26th May 2016

The Chairman, having confirmed with Mr. Hall, advised Board Members there was no update at this time.

Minutes of 16th June 2016

Due to time constraints, there was no update given at this time.

Due to time constraints, there was no update given at this time.

6.vi. ETH Site Visit with NRA Site Engineer Consultant; Schmarrah McCarthy of AMR

Due to time limitations the MD briefly updated Board Members on the progress made so far by the consultant. He reported she was now employed for 2 weeks and he had received a number of reports from her during that time. She was on site for 3 hours per day with the freedom to inspect the progress of the project.

Deferred until next meeting.

Deferred until next meeting.

Minutes of 12th May

No update at this time.

Minutes of 26th May 2016

The Chairman asked the MD to confirm when was the most convenient time to visit the site and then contact Board Members to determine their availability.

Minutes of 16th June 2016

Due to time constraints, there was no update given at this time.

Due to time constraints, there was no update given at this time.

6.vii. NRA Compound Plans

Minutes of 26th May 2016

The Chairman advised once Board Members looked at the finances next month, they would be better able to make a decision on the compound plans. He requested the CFO attend the June 16th meeting to give an update on the financials as of 31st May.

Minutes of 16th June 2016

Due to time constraints, there was no update given at this time.

Due to time constraints, there was no update given at this time.

6.viii. Signage – Primary arterials

Minutes of 28th April

1. Customer Service Signs

The Chairman asked the signs displaying the complaints hotline be removed from their current locations and placed in locations where there could be read i.e. public beaches, parks, and launching ramps.

2. Roundabouts

Board Members expressed their concerns regarding the placement of the signs leading up to the Tomlinson Roundabout alerting motorist how to use the roundabout and asked the MD investigate the issue.

The Chairman asked the MD to also investigate the signage at the Silver Oaks roundabout, with the possibility of erecting a sign that indicates the destination of the road.

Minutes of 12th May

The MD displayed proposed signage to Board Members who reviewed and offered suggestions for changes.

Minutes of 26th May 2016

The MD advised the changes were made; however the Design Technician was currently on jury duty and was scheduled back in office the following week. At that time he would forward the changes to the board for review.

Director Panton also enquired about the signs at the Smith Road/Bobby Thompson junction. He reminded the MD he requested they look at the signs and replace them as they were faded; the verbiage was very small and unreadable.

Minutes of 16th June 2016

Due to time constraints, there was no update given at this time.

Due to time constraints, there was no update given at this time.

6.ix. Compensation claims

During the meeting of 16th June, the Board agreed to the following compensation:

1. 80A [REDACTED] Claimants S.23(1) [REDACTED]
Approved to pay the sum of C/\$60,000

However Mr. Hall advised the block and parcel had been incorrectly noted as 80A [REDACTED]. The correct Block and Parcel 80A [REDACTED] was duly noted in the minutes as per the correspondence from Mr. Hall to Ms. Campbell (a copy of which is attached).

During the meeting of 26th May, the board agreed to the following compensation:

2. Compensation on Block 25B Parcel S.23(1) [REDACTED]
 - a. Pay the monetary compensation in the sum of \$315,000.
 - b. Pay Claimant's fees in the sum of \$1087.50
 - c. Purchase of remainder northern section (25B [REDACTED] for drainage, subject to a separate and additional gazettal in the sum of \$270,000.

However following discussions with the Ministry regarding purchase of the northern section for \$270,000 which required a new gazette notice, it was found to be most appropriate to divide the payment as follows:

- i. NRA compensate for injurious affect to northern section in the sum of \$209,000, and
- ii. Crown purchase the remainder northern section for \$61,000.

This would avoid the requirement for a gazette.

Therefore the new recommendation to the board:


- a) To pay compensation in the in the sum of \$524,000 (land taken and injurious affection),
- b) Pay agents fees if \$1,087.50; and
- c) Recommend Crown acquire the northern section of 25B ■ in the sum of \$61,000 for drainage purposes.

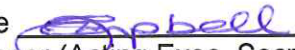
The Board agreed to recommendations presented by Mr. Hall.

7. Date of next meeting

The next meeting is scheduled for 30th June with July meetings are scheduled for 14th & 28th. An Extra-ordinary meeting is scheduled for 21st July.

The meeting adjourned at 12:30pm.

Signature 
Chairman of the Board as Aug. '16
Confirmation of minutes:
Date: 4 AUG 16

Signature 
HR Manager (Acting Exec. Secretary)
Seconded: Confirmation of minutes
Date: 8 AUG 2016