
**National Roads Authority
Minutes of the Two Hundred & Seventh Meeting
of the Board of Directors
held in
NRA Conference Room,
370 North Sound Road, George Town, Grand Cayman
Wednesday 26th October, 2016 at 9:30 a.m.**

In attendance were:

Donovan Ebanks	Chairman
David Arch	Director
Stanley Panton	Director
Kenross Connolly	Director
Dane Walton	Director
Paul Bodden Jr (Andy)	Director
Tristan Hydes	Director Designate of Chief Officer, Ministry PLAH&I
Paul Parchment	Managing Director – NRA
Edward Howard	Deputy Managing Director – NRA
Julie Campbell	HRM – Acting Executive Secretary

Invitees:

Mark Scotland	Special Projects Manager - NRA
Olsen Bush	CFO – NRA
Charles Brown	Ministry PLAH&I

Apologies:

Gary Clarke	Deputy Chairman
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1. Call to Order

The Chairman called the meeting to order at 9:30am

2. Minutes of Previous Meetings

- a. 29th September 2016 – confirmed
- b. 12th October 2016 – confirmed
- c. 17th October 2016 – EO Meeting - confirmed

3. Administration

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

Minutes of 30th June 2016

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.

Due to the absence of the MD this item was deferred until the 28th July meeting.

Minutes of 4th August 2016

Due to the absence of the CFO this item was deferred.

Minutes of 11th August 2016

The MD advised Board Members there was no update on the actuary figures for 2004 to present. The Chairman reiterated the necessity for clarification of what has accrued and how they can go about providing for this obligation.

Minutes of 25th August 2016

The MD advised the Chairman since the last meeting he received the actuary figures; however due to time restrictions these figures were not discussed and the item was set aside until the next meeting.

Minutes of 15th September 2016

Due to time restrictions, this item was not mentioned.

Minutes of 29th September 2016

The Chairman reiterated the Board was aware of the two liabilities - past service pension liability (PSPL)¹ and post-retirement healthcare benefits liability (PHBL). The CFO reported the last figure for the PSPL to be \$3 million; however this figure may increase depending to the actuary report which was forthcoming. The PHBL figure was \$8 million from NRA's inception in 2004 to present.

The Chairman asked the CFO if he was aware of the rate at which these liabilities were growing as this would assist the Board in deciding the amount to be set aside to cover the liability. The Board unanimously agreed on the recommended sum of \$500,000 per year as a start; however instructed to obtain the information regarding the rate of growth of both liabilities and revert.

Minutes of 12th October 2016

The Chairman noted that the Board has still not received anything to substantiate what an annual allocation of \$500K would do to address the liabilities (past service pension and post-retirement health care) pre-2004 and post-2004.

The Chairman advised that if nothing was done both liabilities are going to grow therefore the NRA needs to know what contribution to set aside to meet this when it becomes due.

Director Panton queried the possibility of getting an amount to be stated that would be an annual contribution and over what period of time this is to be done.

The Chairman noted that the Board had the responsibility to say to Auditors that an adequate contribution was set aside for this.

The CFO informed that if the first set of employees becomes eligible in five (5) years, we should be able by then to know how much to contribute. He also advised that he had received an email response to his query but require more clarification. He will provide an update at the next meeting.

The Chairman informed Board Members the CFO arranged a conference call with Mercer to discuss a report that would identify an appropriate level of annual funding into a dedicated account to meet the cash requirement of the liability as they come due.

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

Minutes of 30th June 2016

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.

Due to the absence of the MD this item was deferred until the 28th July meeting.

Minutes of 4th August 2016

This item was deferred until the CFO returns from vacation. The Chairman reminded the MD that the Board wished to see an administrative budget for the operation of the Authority.

Minutes of 11th August 2016

Item deferred until 25th August when the CFO is back in office.

Minutes of 25th August 2016

This item was set aside until the next meeting.

Minutes of 15th September 2016

Due to time restrictions, this item was not mentioned.

Minutes of 29th September 2016

This item was set aside due to time restrictions.

Minutes of 12th October 2016

The Board agreed to hold an Extra Ordinary Meeting on Monday, 17th October, 2016 to discuss this item.

This item was discussed when the Board reviewed the Minutes from the EO minutes of the 17th October 2016.

3.iii Capital Budget – Compensation & Construction Funding

Having discussed this item when reviewing the EO minutes of 17th October, the Chairman directed the MD to maintain the spreadsheet and keep the Board informed.

4. Planning

4i. Linford Pierson Hwy widening – legal and compensation settlements

Minutes of 15th September 2016

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

The Chairman advised he spoke to Mr. Leonardo Prospere, who expressed his interest to work with us to act as Project Manager overseeing the homes being built.

Minutes of 29th September 2016

Board Members were advised by the Chairman that he had not received an update from Crown Counsel regarding a new court date.

The Chairman reminded SVO that all compensation recommendations must first come to the Board for discussion prior to L&S submission to the Ministry. While the L&S Department conduct the negotiating process, proposed compensation claims should be presented to the Board prior to final negotiations with the claimant.

Minutes of 12th October 2016

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

The Special Projects Manager informed that no claim for compensation to date have been submitted by S.23(1) as they are still working on the contents of the claim. It was noted that several land owners may soon begin submissions for compensation. In particular the land owner S.23(1) who it is proposed will wait to see what S.23(1) claims first before submitting their own.

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

The MD advised Board Members the figures for compensation for BP600 was as follows:

Roundabout and access points - CI\$683,000
Internal roads - CI\$440,000

The Chairman referred to a letter from Senior Valuation Officer, Lands & Survey regarding a late claim request from the executors for [REDACTED]. Board Members agreed to accept the late claim.

4ii. Esterley Tibbetts Hwy widening – compensation matters

Minutes of 4th August 2016

The MD advised the Board that Boundary Plan 593 for the widening of the ET Hwy had been approved by Cabinet on 30th June 2016 and published in E.O. gazette No. 51/2016 on 01st July 2016.

The MD undertook to provide the Board with the L&S Dept's current estimate of the cost of the corresponding property acquisitions and to ascertain from the Ministry whether funds were available to meet these costs.

Minutes of 11th August 2016

The MD advised he had not reviewed the current estimate provided by L&S. The Chairman reminded him it was important to ascertain the figures as there were other projects where compensation costs have to be considered. These include Phase II of the LPH, the ETH and the Airport/ALT roundabout connector, all of which have to be presented to Ministry for review and approval.

Minutes of 25th August 2016

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

Minutes of 15th September 2016

BP 593 – Esterley Tibbetts Highway Widening – Block 14C Parcel [REDACTED]
S.23(1) [REDACTED] The Board approved the compensation in the amount of \$650,200 as recommended by L&SD.

The Chairman directed the MD to verify the overall compensation estimate for BP 593 and revert to the Board.

Minutes 29th September 2016

No update given.

Minutes of 12th October 2016

The Chairman requested the MD to provide verification of the overall compensation estimate for BP593 so it can be reflected in the Minutes.

The MD confirmed the compensation estimate to be CI\$4.3M.

4iii. Traffic simulation/forecasting model - update

Minutes of 15th September 2016

The DMD advised the RFP were sent to the CTC for comments which were received. He is currently working on the revisions and would distribute prior to the next Board Meeting for members to review.

Minutes of 29th September 2016

Board Members were advised the draft RFP was submitted to the Burns Group for corrections. The Chairman directed the DMD to circulate the draft to Board Members that afternoon for review and comments.

Minutes of 12th October 2016

The draft of this document with the Chairman's comments was shown and explained. This document can now be out by November 2016. It was noted that although cost was important the quality of the technical side was more and hence more weight will be assigned to this than cost. The Board agreed that the document should seek s commitment from firms for more than a year of support and at what rate.

This module needs to be specific for left hand drive. It was suggested that training be done locally due to the technicality of the computer software instead of overseas. It was also suggested to extend the study area to the east to Chrissie Tomlinson round-a-bout with possible extension in the future.

The Board approved the draft, once revised, to be sent out. The Chairman thanked the DMD.

The DMD advised Board Members they had identified nine (9) consultants with transportation model skill set who were approached to tender. So far three have confirmed their interest.

5. Operations

5i. Capital projects and district roads - July 2016 –December 2017

Minutes of 29th September 2016

The Chairman advised the MD to circulate the revised District Roads spreadsheet for Members to review for discussion at next Board Meeting.

Minutes of 12th October 2016

The Chairman agreed to hold an Extra Ordinary Meeting on Monday, 17th October, 2016 to discuss this item.

Board Members reviewed the EO minutes that addressed this item and the Minutes were ratified.

5ii. Bodden Town Rd. vicinity of Midland Acres – shoulders

Minutes of 15th September 2016

The MD advised works were almost completed with the exception of a few intruding trees. The Chairman requested the MD provide the costs of:

- Milling and re-paving; and
- Shoulder upgrade.

Minutes of 29th September 2016

No update given.

Minutes of 12th October 2016

The project is substantially complete but there is an issue with drains which is pending. The Board still wishes to see the final cost of the project split between the mill and paving and shoulder construction elements.

The MD advised the drains were scheduled to be completed the previous week. To his knowledge two were completed. The final costs for the project were:

- | | |
|------------------|---------------|
| ➤ Shoulder works | – CI\$184,000 |
| ➤ Mill & Paving | – CI\$304,000 |
| ➤ Total | – CI\$488,000 |

5iii. Linford Pierson Hwy widening – design, gazetting & construction

Minutes of 12th October 2016

In regards to S.23(1) it was noted that an application has been submitted to the Planning Dept. to defer the construction of the sidewalk for another 6 months.

No work has been done by Canal Lane even though there is a complaint of flooding. It was noted that this house has an 18" elevation.

Mr. Prospere is to meet with the land owners of the houses being relocated to get them to sign off on the proposed house plans. These plans are to be submitted to Planning Dept. The SPM advised that a guardrail, disability access for one and septic tank are to be done.

Mr. Prospere has eight (8) contractors for tendering for the construction of these houses.

The SPM informed that Water Authority is to begin work this Monday laying lines from the Church to Halifax. This section is expected to be completed by January 2017.

Paving is expected to be done tomorrow to Friday at the Church. Work on the 32" wall with a hedge is underway. Fill is being done on the right side by Station 33+00 to Station 39+00.

We are currently waiting on CUC to relocate their poles as they need the ok from land owners, so as not to delay NRA's road work. CUC is also working on the criss-cross design required for the relocation of the poles.

Although the budget of \$6M is a bit over, it is still on track.

The gazetting for the proposed round-a-bout is currently with DOE/NCC for comments. The Chairman requested the SPM to be persistent in getting this gazette done.

The SPM confirmed the DOE/NCC was scheduled to meet the day before, so he expects a response from them by the end of the week. The Chairman advised and the Board concurred that if the response was favourable to proceed with gazetting as planned; if not gazette the roundabout and access points.

SPM displayed photographs of the project and explained the wall by the Church was almost completed.

He further explained the first poles to be relocated were located by the roundabout. Therefore works could be completed up to that point.

The plans for the replacement homes would be going to CPA that day.

5v. Esterley Tibbetts Hwy widening – design & construction oversight

Minutes of 29th September 2016

SPM Scotland reported there were issues with the fencing; however the issue was resolved and they were working on base works south of the roundabout. The shoulder to the east was their main concentration in order to accommodate Water Authority. He further advised Water Authority had agreed to pay for half

the cost of the fill material and discussions were currently being held between them and the Ministry.

Minutes of 12th October 2016

The SPM informed that he is having regular talks with DECCO especially in regards to the section to be done by March next year i.e. the tunnel and how many lanes should the new round-a-bout be open with.

It was suggested that it should be open with three at the beginning instead of opening two and closing one. As soon as the information on how to use this three lane round-a-bout is prepared, (currently being done by the MD) it should be provided. The diagram is required so that it can be submitted to Cabinet especially for the Roads Law. The MD informed that he was acquiring assistance for compiling this design.

The SPM advised the Water Authority will be contributing to the cost of the fill material. The design for wells is expected to be submitted today so that drilling can begin.

The SPM advised the wells were scheduled to be drilled however they were waiting on approval to commence widening on the east side.

5vi. Crewe Road/Tropical Gardens upgrade

Minutes of 12th October 2016

This item was deferred for the next Meeting re gazetting.

The MD advised Silver Oaks to Navis Close was surveyed and the horizontals completed. The Chairman requested the following information by the next meeting:

- Vertical design
- Estimate cost of works

He further stated this information was necessary to factor it in as a project.

6. Other Business

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

Minutes of 12th October 2016

The MD advised that the October date is on schedule.

The Chairman advised there was a meeting scheduled the following day and he would be able to provide the Board with more information after that.

6ii. Legal action – S.23(1)

Minutes of 25th August 2016

The MD presented a drawing showing the proposed access and explained the inaccuracies in the drawing. Following discussions and a suggestion by Director Panton, the Chairman directed the MD to adjust the drawing to two options:

1. Access for from Seymour Rd.; and
2. Left-off access from the ET Hwy.

Minutes of 15th September 2016

Time restrictions prohibited discussion of this item and therefore it was deferred.

Minutes of 29th September 2016

No update provided.

Minutes of 12th October 2016

The MD advised that the proposal was done. The proposal has not been presented to the S.23(1) and this needs to be done before time expires.

No update; as contact had not been made with the S.23(1) The Chairman advised the MD to contact Crown Counsel and ask her to attend meeting with the S.23(1) and their legal representative.

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

Minutes of 25th August 2016

The Chairman made mention that a proposed amount was indicated to him by Lands & Survey; he however would like to make the suggestion they offer S.23(1) CI\$33,000 and see if he accepts; the Board was in agreement.

Minutes of 15th September 2016

The Chairman advised he had not received an update as to whether Mr. Hall wrote to S.23(1) regarding the proposed amount agreed by the Board during the previous meeting.

Minutes of 29th September 2016

No update available.

Minutes of 12th October 2016

The Chairman advised that an email was sent offering a further 10% more. However S.23(1) has not heard from Lands & Survey. Lands & Survey is to deal with this.

No update provided.

6iv. NRA Compound Plans

Minutes of 29th September 2016

No update provided.

Minutes of 12th October 2016

This item is deferred.

The MD advised the design was going smoothly. There is however a planning issue in which they were billing the NRA \$40,000. Director Hydes advised he would look into the situation and update the Board accordingly.

6.v. Signage – Primary arterials

Minutes of 29th September 2016

When designing signs, the Chairman encouraged the MD to keep in mind who the signs best serve. Using this approach there should be certain considerations:

- (a) The size of the sign – on particular roads i.e. signs based on a 40mph approach should be larger than those on a 30 mph approach.
- (b) Signs indicating primary destinations – the font should be bigger

The MD indicated he would look into adjusting the 16 signs that were recently erected. Prior to procuring other signs, a presentation would be made to Board Members for review and comments.

Minutes of 12th October 2016

The MD displayed a proposed sign and noted that the standard font was 4" which will now be 6". The Chairman informed that the essence of signage is visual recognition. Back to the drawing-board for re-design.

No update provided.

6vi. Former MD Settlement – media request for information

Minutes of 15th September 2016

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

Minutes of 29th September 2016

S.17(a)

Minutes of 12th October 2016

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

S.17(a)

6vii. Annual Report

The MD displayed the draft Annual Report and explained it still had a few minor details to be reviewed. The Chairman asked the MD to circulate the document once completed for Board Members to review prior to the next Board Meeting.

6viii. Meeting with Auditors

The Chairman advised the meeting with the Auditors surrounded the post-retirement health benefits and Board's intention to acknowledge the liability. He advised the Auditors, the Board was cognisant of the liability; however they were not prepared to acknowledge it until they knew what steps they had to take to remedy the issue. The Auditors advised that the NRA would receive a qualified audit for the 2014/2015 year if it was not acknowledged. However, an acknowledgement in the 2015/2016 accounts would afford an unqualified opinion.

Board Members agreed not to acknowledge the liability for the 2014/2015 but to do so in the 2015/2016 accounts. The 2016/2017 accounts would indicate that the Board is working towards a resolution.

The Auditors indicated there should be correspondence with CTC advising them that Island Paving is the sole paving provider. The MD advised he previously sent a similar letter and would forward it to them.


6.ix. Executive Secretary appointment

The Chairman shared with members, correspondence received from the MD recommending that Ms. L. A Hall-Vaughan resumes the duties of the Executive Secretary to the Board with effect from 01 November, 2016. The Board expressed its concurrence.

7. Date of next meeting

November meetings are scheduled for the 9th and 23rd November.

The meeting adjourned at 11:45pm.

Signature 
Chairman of the Board
Confirmation of minutes:
Date: 07 Dec. '16

Signature 
for Actg. Executive Secretary
Seconded: Confirmation of minutes
Date:

