

CONFIDENTIAL



Water Authority of the Cayman Islands

Minutes of 218th Meeting held on 7th of September 2011

Members Present:

Chairman:	Mr J L Hurlston
Members:	Mr J Banks Mr T Hydes Mrs P McGaw-Lumsden Ms A Owens Mr W Scott Ms R Sharma Mrs I Simms Mr M Smith Mr O Watler
Secretary:	Dr G Frederick-van Genderen
Apologies:	Mr C McLaughlin
Guests:	Mr Isaac Rankine, Chairman, WTC Mr Tom van Zanten, Deputy Director Ms Lori Bergman, Financial Controller

Call to Order

The Chairman welcomed members and called the meeting to order at 1:40pm after ascertaining that there was a quorum and acknowledging the absence of Mr C McLaughlin. The Chairman noted the postponement of the August meeting was due to delays in the re-appointment of the Board. Mrs P McGaw-Lumsden then opened the meeting with prayer.

Minutes of the 217th held on 15th of June 2011

The Chairman asked for confirmation of the Minutes of the 217th Meeting held on 15 June 2011.

Ms A Owens moved the motion to accept the Minutes, Mrs P McGaw-Lumsden seconded the motion and the motion passed unanimously.

Declaration of Conflicts of Interest

None were declared.

Matters Arising**a) Divestment of Water Authority Wastewater Assets – Update on WTC.**

The Chairman reported that the Chairman of the Cabinet-appointed Wastewater Technical Committee (WTC) appointed in May 2011 had five meetings of the WTC with the last one being held on 03 August 2011.

The Chairman noted that as it was clear that the process of evaluation and final decision would not be possible before the bids expired on 10 July 2011, the Authority requested bidders to extend the validity of their proposal for an additional 30 days (i.e. until 08 August 2011). Two companies subsequently confirmed the extension of their bid validity. However on 22 July 2011; Liberty Water withdrew their offer citing the delay in making a decision as the reason for their withdrawal.

The Chairman reported that on 05 July 2011 a meeting was held at the Ministry of District Administration, Works, Lands & Agriculture (DAWLA) to discuss/clarify the “value to Government” issue. Present were the Minister of DAWLA, Mr Tristan Hydes (Deputy Permanent Secretary), Ms Rhonda Webster (Ministry DAWLA), Mr Cline Glidden (MLA, Counsellor), Mr Lemuel Hurlston (Chairman Water Authority), Ms Vicky Ellis (Deputy Solicitor General), WTC Chairman (Mr Isaac Rankine), and WTC Secretary (Mr Tom van Zanten). In the meeting, Ms V Ellis acknowledged that the Government can define “Highest Value to Government” as a matter of policy but indicated that all parties bidding should be made fully aware of the evaluation criteria in order to ensure transparency, preferably at the start of the bidding process. She indicated that changing criteria this late in the evaluation process would be considered unfair to certain bidders and could result in a legal challenge. At the meeting the WTC Chairman indicated that the tender evaluation had been nearly completed and confirmed that the evaluation report could be finalised within 1-2 days after receipt of Government’s decision on the proper definition of “Highest Value to Government”.

The Chairman reported that on 14 July 2011 the Ministry advised the Chairman of the WTC to proceed with evaluating the tenders using the definition of “Highest Value to Government” as outlined in the RFP Document, i.e., the Lump Sum offered for the assets.

The Chairman reported that on 01 August 2011 the Water Authority informed the remaining two tenderers that the WTC's evaluation report was expected to be completed by 05 August 2011, and requested confirmation from them whether they would be prepared to extend the validity of their proposal for an additional period of 39 days (i.e., until 16 September 2011). Both companies subsequently confirmed the extension of their bid validity.

The Chairman reported that on 16 August 2011 the WTC completed their evaluation report and forwarded the original signed copy to the Water Authority office, for review and acceptance by the Water Authority Board. The evaluation report and recommendation were discussed under Current Business section of this meeting's Agenda. The WTC Chairman of the committee will be available to answer any questions from the Water Authority Board members.

The Chairman reported that on 31 August 2011 the Central Tenders Committee (CTC) Chairman was informed that a Water Authority Board meeting was scheduled for 07 September 2011, for presentation of the WTC's evaluation report copy of which was provided to members. The CTC Chairman advised that members of the CTC would require at least a week to review the report and decide whether or not to accept the recommendation therein. Therefore the discussion of the report will be included on the CTC's Agenda for the regularly scheduled meeting on 16 September 2011, provided the report is received on 07 September 2011. The Chairman suggested that any questions members had on the report should be addressed to the Chairman of the WTC when he comes to speak to the report.

The Chairman advised that given the imminent sale of the WW facilities the Authority reminds members that funds received need to be offset against the outstanding loan payments, staff severance packages, legal and professional costs (both incurred and estimated to complete the transaction), and the cost to construct a vehicle maintenance building. The Chairman requested that the Authority inform the CTC of the estimated amount the Government will net from the proceeds of the sale after the outstanding commitments are met. The Secretary said the Authority was already working on the amount that would be deducted which she estimated was between \$3-4M.

Review of Wastewater Assets Divestment Process

The Chairman reported that on 28 July 2011 the Director and Deputy Director met with the Auditor General (Mr Alastair Swarbrick) and Mr Martin Reuben from the Auditor General's office (OAG) to discuss the progress of the wastewater assets sale. The Chairman advised that the OAG has recently indicated that there will be requests for additional documentation regarding the divestment process shortly. The Secretary confirmed that a letter had been received 07 September 2011 from the OAG requesting additional information

and interviews with the Chairman of the Board as well as the Chairman of the WTC.

The Chairman advised that the OAG issued a report entitled "Management of Government Procurement" on 05 July 2011 and copies were provided to all Board members. Mr O Watler indicated that he had read the report and found it very interesting. The Chairman explained that reports of the OAG go through a process of review by the Public Accounts Committee (PAC) via the Legislative Assembly. The PAC has the power to call witnesses and produce their own report. The Government will respond to the points raised in the PAC's report in the Government Minute.

b) Negotiations of Cayman Water Company Licence (CWC) - Update.

The Chairman advised that as reported at the last Board meeting, a meeting was being organised between legal counsel representing Government and Cayman Water Company to discuss CWC's challenge of the legislation and the role of the Water Authority as regulator in the negotiations. This meeting was postponed several times due to unavailability of the various participants. It did take place on 22 July 2011, and both sides agreed that there were 4 outstanding legal issues. The Government legal team drafted its position on these 4 issues and these were communicated to the Honourable Minister for District Administration, Works, Lands & Agriculture (DAWLA). Mr T Hydes indicated that he would follow up with the legal counsel on the next step in responding to CWC. In the mean time, the Chairman confirmed that CWC has not yet provided a financial proposal as agreed at the last meeting of the full negotiation teams on 08 February 2011.

The Chairman noted that as Board members are aware, Government agreed to the 6th extension of CWC's licence until 31 January 2012.

c) 30 June 2011 Audit Update.

The Chairman reported that the Authority completed the Trial Balance (TB) and provided these to the Office of the Auditor General (OAG) on 26 August 2011. The first draft of the Financial Statements was provided on 30 August 2011 before the 31 August 2011 deadline as prescribed in the Public Management & Finance Law (PMFL).

The TB was also sent to Mr Ronnie Dunn at BMU and Ms Nadisha Walters of the Ministry of DAWLA, as they are monitoring agency progress to ensure compliance with the law.

The Chairman reported that the auditors were at the Authority on 30 August 2011 to start field work. Auditor attendance in the office is sporadic right now as the OAG's office works to receive submittals of information from all CIG entities and plan staff time accordingly. The Authority expects them on site for the next 2-3 weeks.

d) **Public Piped Water Utility Lease Project - Update.**

The Chairman reported that the Authority sent the Terms of Reference (as approved by the Board) on the Strategic Option Analysis (SOA) to KPMG on 23 August 2011 for their feedback and met with them on 25 August to discuss the request.

The Chairman advised that further to the Auditor General's (AG) report, "Management of Government Procurement", and the AG's specific inquiry about whether a Business Case was prepared for the sale of the wastewater assets (letter dated 03 June 2011) where he specifically requested a copy of the "business case for the sale of the assets outlining the financial implications for the sale and how value for money is going to be determined from the transaction", the Authority's management was seeking the Board's direction on whether it would be prudent to initiate a business case for the divestment/lease of the Water Utility Assets.

The Chairman noted that a formal business case prepared by KPMG with the assistance of Water Authority's management would highlight the financial implications for the sale and also how value for money will be achieved as the Water Utility Lease Project (WULP) gets underway. Given the time sensitive nature of this transaction, the Authority's management recommended one report inclusive of the Strategic Option Analysis and Valuation. The Secretary sought the Board's guidance on this suggestion.

As the foundation to the SOA and valuation it is necessary to provide accurate financial data with a high level of assurance for the water operations. The WULP has the potential to generate international interest, with many investors relying on the financial data as presented hence the need for audited financial statements for the Water Division. The Secretary also sought the Board's guidance on this suggestion.

The Chairman reported that the Authority expects that the cost of these three engagements will be approximately \$100k each. After some discussion members agreed that the reports would be important to lease/divestment process and that the Authority should proceed.

Request Appointment of KPMG as a single-source provider

The Chairman reported that the Authority sought permission in August 2010 to engage KPMG to assist with the logistics of leasing the Water Utility Assets without going through the formal tendering process. The Financial Secretary responded, "Whilst Regulation 37 permits the Authority to select KPMG without undertaking a tendering process, Regulation 37 does require the Authority to obtain good value from the terms of any agreement reached with KPMG". The Chairman noted to ensure compliance with the PMFL Regulations the Authority would need to demonstrate to the CTC that it did

everything reasonable via its discussions/negotiation with KPMG to obtain an agreement that represented good value for money.

Members agreed on the proposed plan of action and the Authority will now prepare a paper requesting CTC approval to engage KPMG as a sole-service provider. The CTC will independently assess whether good value has been achieved/obtained by the Authority in any contract/agreement with KPMG.

e) **Miscellaneous Updates.**

a) ***In-House Pipelaying Crews*** - The Chairman reported that by 01 September 2011 one crew had completed the upgrade (to 12-inch) of the 6-inch pipeline in South Sound, between Bel-Air Gardens and just beyond Cayman Crossing. The section comprised a total length of just over 500 feet. The entire pipeline section in South Sound, between the junction with Old Crewe Road and just west of Cayman Crossing, has been upgraded and is operational.

This crew will next move to Belford Estates in order to re-install (deepen) approximately 800 feet of pipelines and several service connections. This work is required as the National Roads Authority (NRA) lowered the road elevation as part of their efforts to improve the storm water drainage in this area. As a result the cover to the Authority's pipeline was reduced to approximately 22-24-inch (compared to the required 30-inch). The cost estimate for this work is \$46,400, and NRA has indicated that they will not reimburse the Authority the cost for doing this (not-budgeted) work, because "*if existing utility infrastructure is affected by road enhancements it is the responsibility of the companies affected to absorb the costs to rectify the situation,and based on the current precedence it is not the NRA's responsibility to pay for the lowering of the main to meet the Water Authority 30-inch of cover policy*".

The other crew is presently working in Admiral's Landing, off Shamrock Road in order to upgrade/replace approximately 3,000 feet of pipelines. As of 07 September 2011 approximately 750 feet of pipe have been replaced.

b) ***Water Supply Division*** - The Chairman reported that the Water Supply Division continues work on the replacement of the 12-inch pipeline along Bodden Town Road, between Kipling Street and Midland Acres, which was started on 17 May 2011. The first section has been completed and is now in service.

By 02 September 2011, the crew had installed nearly 5,500 feet of pipeline with approximately 400 feet remaining. It is anticipated that the actual pipelaying will be completed by 09 September 2011, to be followed by disinfection and flushing next week. All customers on the second section should be connected to the new main, and all temporary pipelines removed before the end of September 2011.

Next, the Water Supply Division will commence the replacement of approximately 1,100 feet of 4-inch pipe in Hinds Way, off Walker's Road.

- c) *Red Gate Water Works - Replacement of Reservoir #1* - The Chairman reports that the Engineering Services Department commenced the preparation of the tender documents for the installation of a bolted steel tank as budgeted in the 2011/12 budget to replace the 1.2 MG fibreglass reservoir at the Red Gate site. Demolition of the old tank is planned for the end of the hurricane season with the actual tank construction planned to start in early 2012.
- d) *Wastewater Division* - The Chairman reported that on 31 August 2011 the wastewater collection system backed up and caused some manholes in the Parkway Drive area to overflow in the afternoon. Due to electrical problems at Pumping Station (PS) 1, the main pump station near Marbel Drive, 2 of the 3 pumps were inoperable for most of the day. The problems were resolved by 6:30 pm.

This incident indicates that the postponement of essential investigations and repairs (CCTV survey and internal liner repairs) for nearly two years now has worsened the condition of the wastewater collection system. This is demonstrated in continued electrical and metal corrosion issues due high concentrations of hydrogen sulphide and high salinity of the wastewater.

The Chairman reported that the Engineering Services Department is investigating the cost and delivery period for a trailer-mounted diesel-driven trash pump of sufficient size to deal with the existing wastewater flows. Due to the impending wastewater assets sale, this expenditure (estimated cost \$40,000+) was not budgeted for but is necessary to avoid a major catastrophe and potential claims for damages.

The Chairman reported that on 04 September 2011 one of CUC's electricity poles (in front of Flower's block factory) caught fire and consequently the wastewater treatment plant was without electrical power for most of the day (power was restored around 6:30 pm). This affected the normal operation of the plant, but most of the incoming wastewater was diverted to the ponds.

- e) *Cayman Brac Site* - The Chairman reported that the 3 surge suppressors at the pump house were installed by ElectraTech. Unfortunately no further progress on the potential lease of an emergency stand-by generator from Cayman Brac Power & Light (CB P&L) was made due to the CB P&L Managing Director being on leave. Consequently the Cayman Brac RO plant will not be equipped with the emergency generator of the size required this hurricane season.

The Chairman reported that the installation of 36 new NanoH₂O SWRO membranes was completed by 09 July 2011. To date, these membranes have exceeded the performance guarantees (e.g., the membrane feed

pressure has been less than expected), thus resulting in better than expected energy cost savings.

- f) *FOI updates* - The Chairman reported that one request was received as of 16 August 2011 as shown in the Freedom of Information report provided to members.
- g) *Lightening Strike* - The Chairman reported that on 11 August 2011 the Authority's administration building was hit by lightening. As a result of the strike the Authority incurred costs of \$3.6k, paid to Island Electronic Ltd to replace the fire alarm panel, annunciator and programmable panel, and \$152 was paid to Panel, Components & Systems Inc for a battery charger for a total cost of \$3.7k. Given the immaterial amount spent no claim was made to insurance.
- h) *Fleet insurance* - The Chairman reported that British Caymanian insurance suggested to the Authority that some of the fleet be moved from comprehensive to third party insurance as the insured value on these vehicles was less than \$3,000. The Authority agreed and gave instruction to Britcay to adjust the premium accordingly for the 01 July 2011 - 30 June 2012 period. This affected 7 trailers and 12 vehicles and subsequently saved the Authority \$6,175 (\$425 premium as compared to \$750 premium).
- i) *Performance Awards* - The Chairman reported that as noted in the 25 May 2011 meeting, the 2011/12 budget included a small amount for performance awards; however this payment was dependent on staff completing their performance appraisals for the period ending 30 June 2011. This process was completed in time for the awards to be done on 02 September 2011.
- j) *Randyke Gardens* - The Chairman reported that the situation of the failing wastewater treatment systems at Randyke Gardens had not been resolved yet. It is the Authority's understanding that Government agreed to fund the emergency repairs through the Ministry of Financial Services, Tourism & Development and that this Ministry asked the Ministry of District Administration, Works, Lands & Agriculture to take care of the matter. In the mean time the chairperson of the strata has asked of the Water Authority when the repairs will be carried out as the property is experiencing discharge of untreated sewage on the ground from the failing systems and this situation has become worse during the rainy season. Also the Department of Environmental Health contacted the Water Authority as they received complaints and they are concerned about impacts to public health. The Authority has referred both the strata and the Environmental Health Department to the Ministry. The Authority also advised the Permanent Secretary via email of the deteriorating situation during the week of 10 August 2011. The Ministry advised during the week of 29 August 2011 that a Cabinet Paper would address the release of the funds on 06 September 2011.

k) *East End Seaport* - The Chairman reported that as reported at the last Board meeting, the Environmental Impact Assessment Report for the East End Seaport Project was reviewed by the Water Authority with the Department of the Environment as lead agency and the National Roads Authority and the Planning Department as the other Government agencies. A comprehensive response was sent to the developer on 15 June 2011. The reviewing agencies collectively agreed that the study was substantially incomplete as a number of issues in the Terms of Reference had been addressed insufficiently and that therefore it was not possible for the collective Government agencies to provide a comprehensive review of the report while essential information was missing.

To date, the developer has not responded to the letter. However, on 09 August 2011 it was announced in the local media that the developer had decided not to pursue the project any longer and that the property will be used for the proposed Dr Shetty's Narayana hospital project.

Current Business

a) **Presentation of the Wastewater Technical Committee (WTC) Evaluation Report of Bids for the Purchase and Operation of the Grand Cayman Wastewater Infrastructure.**

The Chairman reported that the Government-appointed WTC had submitted the Evaluation Report of Bids for the Purchase and Operation of the Grand Cayman Wastewater Infrastructure on 16 August 2011 and that the Chairman would present the Report to the Board and answer questions they had. The Chairman noted that the Authority's Deputy Director and Financial Controller would sit in on the meeting.

The Secretary brought in and introduced the Chairman of the WTC, Mr Isaac Rankine to members. Mr Tom van Zanten, Deputy Director and Ms Lori Bergman, Financial Controller also joined the meeting at that time.

The Water Authority Chairman introduced and welcomed Mr I Rankine and thanked him and his committee for completing the Report. The Chairman noted that the bid evaluating process had taken much longer than expected and he was pleased to see that this WTC under Mr I Rankine had produced an Evaluation Report. Mr I Rankine apologised on behalf of another WTC member, Mr Darryl Rankine who had agreed to be available for the presentation of the report to the Water Authority Board but had a personal emergency to attend to.

Mr I Rankine was then invited by the Chairman to speak to the Report before the Board. Mr I Rankine indicated that he felt the Report was self-explanatory however he would be happy to summarise and answer members' queries. Mr

I Rankine explained that, as the Report showed, there were originally three companies that submitted responsive proposals and all were considered capable of fulfilling the Request-For-Proposal (RFP) issued. These companies were Cayman Aqua Management (CAM), Liberty Water, and Cascal. The WTC Chairman informed members that Liberty Water would have been the obvious choice however as they withdrew their bid on 22 July 2011, the WTC redid their base calculations and came to the conclusion that Cayman Aqua Management (CAM) was then the best choice out of the remaining two companies.

Members queried why in the overall ranking CAM 's proposal changed positions with Cascal's after the withdrawal of Liberty Water. Mr I Rankine explained that without Liberty Water the base line had changed and thus the scores changed.

The WTC Chairman indicated that the WTC did not have time to read the proposals in their entirety, nor did it carry out extensive background research into the three companies as they felt that to be the responsibility of the CTC. The Secretary explained that the CTC only opens the returned proposals and checks that the bids have the basic elements required in the RFP, the evaluation committee of the agency then is responsible to carry out the detailed review.

Members inquired as to what was the expected rate of return of the three companies as only that of Cascal was referred to in the Report. Mr I Rankine informed members that the rates were CAM at 13%, Liberty at 10%, and Cascal at 13%. Members queried how this would impact rates to customers. The WTC Chairman said that the WTC had received a spreadsheet from the Deputy Director where various what-if scenarios on rates could be examined however they found the process and spreadsheet very complicated and difficult to understand. Mr I Rankine noted that the impact on rates would initially be the lowest from Cascal because they had offered the lowest lump sum for the assets, but that this offer was also less than the book value of the wastewater assets.

Mr T Hydes inquired as to the absence of an evaluation summary matrix in the Report. Mr I Rankine stated that each member had kept personal notes and ranked the companies individually. The WTC Chairman indicated that he is satisfied with the report, however if it was necessary to have an evaluation summary matrix there were pencilled notes that would have to be transcribed. Mr T Hydes indicated that in his experience the CTC would definitely require this summary and explanations on how the scoring and rankings were determined. This basic requirement was further supported by the Secretary and Deputy Director. Board members then agreed that an evaluation summary matrix should be appended to the Report. The WTC Chairman indicated that he had prior commitments and most likely would not get to

work on this until the weekend but would do so as soon as possible. The Deputy Director undertook to email the WTC Chairman a softcopy of the spreadsheet with the matrix parameters.

The Secretary confirmed to Board members that the Evaluation report was the mandate of the WTC and the Authority's management were not involved in its preparation

Members queried the formation of CAM as a functioning company with the required experience. Mr I Rankine confirmed that CAM is not yet an active company, but comprises very experienced companies although the proposal did not identify the share distribution between the various partners. Members queried whether it should be required that the experienced partners of CAM (whose experience and past performance was the basis for the ranking in the evaluation report) have a significant participation in the ownership of the company. The WTC Chairman considered this the responsibility of the CTC, as it was not in the WTC remit and is mentioned in the Report.

Mr T Hydes noted that he took exception to the inference in the Report that the Ministry held up the process for 6 months due to the definition of "highest value to Government" not being clear. Mr T Hydes indicated that the original WTC Chairman was advised in January 2011 that the definition of the "highest value to Government" that should be applied by the WTC was the one used in the RFP. The Water Authority Chairman noted that this project had been fraught with delays and he felt that the WTC was just identifying the issues surrounding the process but not with the intention of assigning any blame. The WTC Chairman agreed with the Water Authority Chairman's explanation.

Mr O Watler inquired regarding the next step in the process. The Water Authority Chairman explained that the Water Authority would send the Report with the Board's recommendation to the CTC for their consideration. Upon the CTC's acceptance of the WTC's recommendation, the successful company would then need to apply to the Cabinet for a Concession under the new Wastewater Collection & Treatment Law 2011. Upon receiving the Concession, the Authority would issue a Licence under the same Law based on the conditions contained in the RFP and already accepted by the successful company. The Secretary noted because the Licence formed part of the RFP lengthy negotiations with the successful bidder would not be needed.

At this point the Chairman thanked Mr I Rankine and the WTC for their hard work over the period they had to produce the Evaluation Report. Mr I Rankine then left the meeting along with the Deputy Director and Financial Controller.

After further discussion on the Report, the Chairman asked for a motion to accept the Report and the recommendation therein and to instruct the Secretary to forward the Report to the CTC with the Water Authority Board's recommendation for the award to be made to Cayman Aqua Management. The additional caveat to the approval of the Report was that the WTC Chairman would provide the Evaluation Summary Matrix which the Authority would then forward to the CTC to be attached to the Evaluation Report. Members decided that the Authority should forward the Evaluation Report to the CTC straightaway to meet the CTC's requirement to have the document seven days before the meeting on 16 September 2011. The Water Authority should then forward the Evaluation Summary Matrix to the CTC as soon as it was provided by the WTC Chairman.

The motion to accept the WTC's Evaluation Report and the recommendation therein and to instruct the Secretary to forward the Report (with the Evaluation Summary Matrix to follow shortly) to the CTC with the Water Authority Board's recommendation for the award to be made to Cayman Aqua Management was moved by Mrs P McGaw-Lumsden. The motion was seconded by Mr J Banks and passed unanimously.

The Chairman advised that the CTC had agreed to deal with this matter on 16 September 2011.

Donation Requests

The Chairman advised that the amount available for donations is \$40k.

a) Ratification - Trinity Performance Sports Club.

Members agreed to ratify the Chairman's decision by to approve donation of US\$666.00 for airfare to Trinity Performance Track Club to send Mr David Hamil to attend the Jamaica National Championships 22-25 June 2011. The motion was moved by Mrs P McGaw-Lumsden, seconded by Mr O Watler and passed unanimously.

b) Ratification - National Gallery of the Cayman Islands.

Members agreed to ratify the Chairman's decision to donate one of the Sculptural Water Fountains for the New National Gallery of the Cayman Islands. The Board approved for the CI\$50K required to be transferred (\$40K from Property & Liability Insurance and \$10K from Employee Health Insurance) to the Advertising and Promotions Account as per the email dated 22 June 2011 circulated on behalf of the Secretary. The motion was moved by Mrs P McGaw-Lumsden, seconded by Mr O Watler and passed unanimously.

c) Ratification - FC International Summer Football Camp.

Members agreed to ratify the Chairman's decision to sponsor the FC International Summer Football Camp in the amount of \$1,000. The motion was moved by Mrs P McGaw-Lumsden, seconded by Mr O Watler and passed unanimously.

d) Breast Cancer Foundation Annual Gala Dinner.

Members agreed to sponsor the Breast Cancer Foundation's Annual Gala Dinner as a "Pink Ribbon Sponsor" in the amount of \$1000. The motion was moved by Ms A Owens, seconded by Mr O Watler and passed unanimously.

e) CI Crisis Centre Annual Jingle Bell Run.

Members agreed to sponsor the CI Crisis Centre Annual Jingle Bell Run as a "Super Sponsor" in the amount of \$1000. The motion was moved by Mrs P McGaw-Lumsden, seconded by Mrs I Simms and passed unanimously.

f) National Trust for the Cayman Islands.

Members agreed to sponsor the National Trust for the Cayman Islands' as a "Gala Dinner Sponsor" in the amount of \$500. The motion was moved by Mr O Watler, seconded by Mr M Smith and passed unanimously.

g) Breast Cancer Awareness Campaign - Lions Club of Tropical Gardens.

Members agreed to sponsor the Breast Cancer Awareness Campaign through the Lions Club of Tropical Gardens as a "Bronze" in the amount of \$1500. The motion was moved by Mr O Watler, seconded by Ms A Owens and passed unanimously.

h) Pines Retirement Home - NCVO.

Members agreed to donate \$500 gift certificate for water each month for 12 months to assist the NCVO Pines Retirement Home's water account with their water cost. This donation is to be made effective 01 October 2011. The motion was moved by Mrs P McGaw-Lumsden, seconded by Ms A Owens and passed unanimously.

Any Other Business

a) 2011/2012 Scholarship

The Chairman reported that three scholarship applicants were interviewed by Board member Mrs P McGaw-Lumsden, the Authority's Chief HR Manager, Information Systems Manager, and Water Resources Engineer. As indicated by the report produced by the group and provided to members, the recommendation was not to award a scholarship this year. Members accepted the recommendation.

b) CNBC Business Magazine Interview

The Chairman reported that on 10 August 2011 the Secretary was interviewed by Ms Rebecca Wise representing CNBC Business Magazine. Ms Wise

indicated that the Honourable Premier had requested that she (Ms Wise) interview agencies involved in supporting the government's programme of economic development to secure long-term prosperity for Cayman. There will be a special country feature about the Cayman Islands in an upcoming issue advertorial sponsored by the government. Ms Wise also asked if the Authority was interested in advertising, however the cheapest option is €9,950. Members decided that the cost of advertising was prohibitive and the Secretary should inform Ms Wise that the Water Authority would not be able to advertise in the magazine.

There being no other business the Chairman thanked members for their cooperation and adjourned the meeting at 3:00pm.

This is a true and accurate account of the proceedings.



The Chairman



The Secretary