

CONFIDENTIAL



Water Authority of the Cayman Islands

Minutes of 319th Meeting held on 30th June 2021
at the Water Authority of the Cayman Islands' Headquarters,
13G Red Gate Road

Members Present:

Acting Chairman for 319 th Meeting:	Mr J Gill
Members:	Mr M Rankine Mr H B Ebanks Mrs L Ryan
Secretary:	Dr G Frederick-van Genderen
Apologies:	Ms A Owens Mr W Welcome

Call to Order

The Secretary called the meeting to order at 1:30pm and advised members that as the appointed Chairman had resigned in April 2021, members able to vote would need to select one person amongst them to act as Chairman for the purpose of this meeting on 30 June 2021. Members able to vote unanimously nominated Mr J Gill to act as Chairman for the purpose of this meeting, Mr J Gill accepted and the meeting proceeded. The Secretary advised that the Ministry of Education, District Administration and Lands continues to work on the appointment of additional Board members.

The Acting Chairman welcomed members to the meeting and after ascertaining that there was a quorum. The Acting Chairman noted apologies for Ms A Owens and Mr W Welcome. Mrs L Ryan then offered the opening prayer

Confirmation of Minutes of the 318th Meeting held on 02 June 2021

The Acting Chairman asked for confirmation of the Minutes of the 318th Meeting held on 02 June 2021. Mr M Rankine moved the motion to accept the Minutes, Mrs L Ryan seconded the motion and the motion passed unanimously by members able to vote.

Declaration of Conflicts of Interest

None declared.

Matters Arising**a) Lower Valley Reverse Osmosis Plant (LVRO) - Update.**

The Secretary reported that the LVRO plant ran consistently on both RO trains since 23 March 2021, and in June 2021 (up to 25 June 2021) produced on average 2,728 cubic metres per day, or approximately 90% of the plant's design water production capacity. The differential pressures of the pre-filters and the membranes will continue to be monitored now that both trains are operational. Plant production and product water conductivity are within the expected control limits. This item will come off the agenda at the next meeting unless there are significant issues with the plant.

b) Cayman Brac Infrastructure Upgrade & Expansion Project - Update.

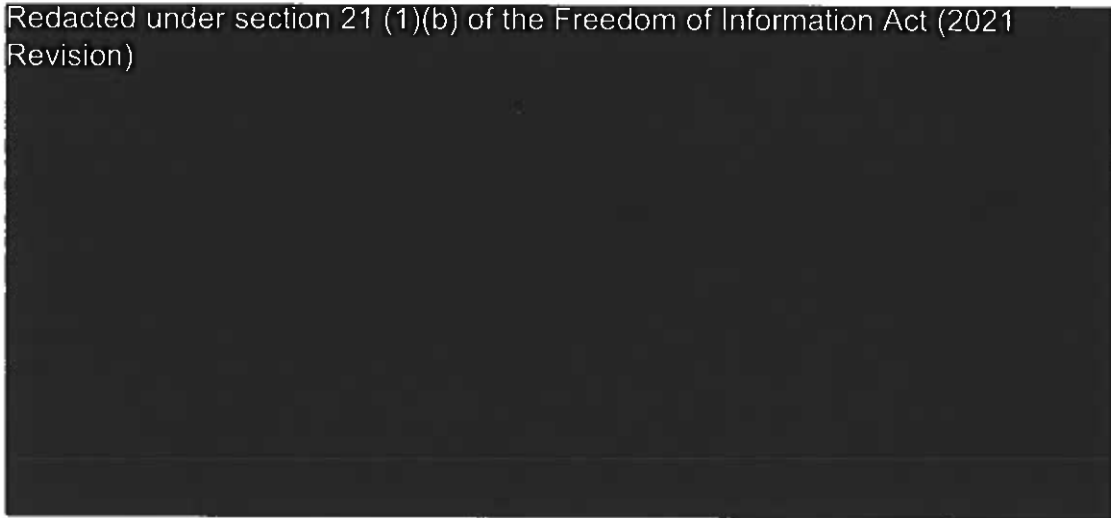
The Secretary reported that the New Works pipelaying crew completed the installation of pipelines in all side roads off the 200mm (8-inch) water main along Dennis Foster Road up to Cape Drive, except Cape Drive. This year to date they have installed approximately 1,360 metres (4,440 feet) of 80mm (3-inch) pipe and 730 metres (2,400 feet) of 100mm (4-inch) pipe. The New Works pipelaying crew has completed the pressure testing, disinfection and flushing of all completed side roads, except Cottage Drive. This crew also installed 12 water meters in June 2021.

The installation of approximately 160 metres (500 feet) of 80mm (3-inch) pipe along Cape Drive is expected to commence during the week of 05 July 2021.

Thereafter, the New Works pipelaying crew will continue with the installation of the 200mm (8-inch) water main along Dennis Foster Road towards Ashton Reid Drive (a distance of approximately 700 metres (2,300 feet)). It is anticipated that this phase of the pipeline extension in Cayman Brac will be completed by the end of August 2021.

Redacted under section 21 (1)(b) of the Freedom of Information Act (2021 Revision)

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c) 31 December 2018, 2019 and 2020 Audit of Consolidated & Divisional Statements - Update

31 December 2018 Audit – Consolidated, Divisional and Island Financial Statements for Water, Wastewater and Statutory

Annual Report 2018

The Acting Chairman noted that as reported previously, this report is with the Ministry of Education District Administration, and Lands (EDAL) and is expected to be laid on the table in the House of Parliament during the first sitting of 2021.

31 December 2019 Audit – Consolidated, Divisional and Island Financial Statements for Water, Wastewater and Statutory

Annual Report 2019

The Acting Chairman noted that as reported previously, this report is with the Ministry of Education District Administration, and Lands (EDAL) and is expected to be laid on the table in the House of Parliament during the first sitting of 2021.

31 December 2020 Audit – Consolidated, Divisional and Island Financial Statements for Water, Wastewater and Statutory

The Acting Chairman reported that the Chief Financial Officer (CFO) advised that the Finance Department had completed the draft of the Divisional and Islands statements and is ready to send them to KPMG upon their request. The CFO reports that she expects that KPMG will have internal resources available in early July 2021 and will be available to answer any questions as they arise.

Annual Report 2020

The Acting Chairman reported that the final draft of the 2020 annual report had been compiled, inclusive of the 2020 audited financial statements. This document will be sent to KPMG and the OAG for their review.

COVID-19 Actions and Impact -Update

The Acting Chairman reported that the Water Authority continues to provide all services at all locations. The Secretary noted that the Water Authority's office recycling programme (paper, plastic, glass) will return this month of June 2021.

- *COVID-19 Sewerage Discount Policy*

To date the Water Authority has received requests from 27 different sewerage customers, one of which was not deemed eligible under the policy as the request was made for a Residential Account. The table below summarises the status of this policy to date:

<u>Month</u>	<u>Requests processed</u>	<u>Requests approved</u>	<u>Total Discount</u>
April 2020	25	18	CI\$20,115.17
May 2020	20	17	CI\$22,097.60
June 2020	13	11	CI\$14,020.05
July 2020	11	11	CI\$16,826.04
August 2020	10	10	CI\$16,991.61
September 2020	10	9	CI\$17,023.52
October 2020	10	10	CI\$18,929.74
November 2020	10	10	CI\$20,656.72
December 2020	10	8	CI\$15,329.46
January 2021	8	6	CI\$14,293.26
February 2021	7	6	CI\$14,386.43
March 2021	7	5	CI\$13,823.06
April 2021	4	3	CI\$10,500.86
May 2021	2	2	CI\$9,873.50
Total to date			CI\$224,867.00

The Acting Chairman reminded members that requests processed are those requests that provided the required documentation. Requests approved are those requests that met the criteria for a sewerage discount (i.e., the water consumption was less than the historical (annual average) water consumption for 2019).

The Acting Chairman noted that the Water Authority Board had initially agreed to the Sewerage Charges Discount Policy for a period of three months (April-June 2020), but this period was extended until the end of June 2021. The Secretary respectfully asked members whether they wish to continue to offer the discount policy for an additional 3 months up to 30 September 2021. Members briefly discussed and those able to vote agreed to extend for an additional 3 months (July, August, September) the temporary relief for commercial customers along the West Bay Road tourist strip.

Government Asset Valuation

The Acting Chairman reported that as management is currently focused on other priorities the reports will be reviewed in due course.

Economics and Statistics Office (ESO)

The Acting Chairman reported that the annual ESO SNA (Systems of National Accounts) survey was requested from the Authority on 12 April 2021 with a deadline of 11 June 2021. The Authority provided the submission on 31 May 2021 and will field any queries as they arise.

Indemnity Insurance

The Acting Chairman reported that in order to address the exposure of the Water Authority Board members and the Authority's senior management team as a result of the Public Authorities Act, the CFO sought information on Indemnity Insurance for Board members and senior managers and will report to the Board in July 2021.

CWWA Bank Accounts – Request to open new accounts with FCIB

The Acting Chairman advised that the CFO is requesting Board approval to open two new bank accounts with FCIB. These accounts will be used exclusively for the CWWA conference, which will allow transparency and ease of tracking for CWWA revenue and expenses.

These accounts are:

- 1) *USD Savings Account* – linked to the online registration and will accept incoming funds via online gateway platform from participants, donors and sponsors.
- 2) *KYD Chequeing* – available to pay for local conference expenses.

FCIB requires the Board's approval to allow the elected meeting Chairman to sign with the Director on the account opening documents. Members were respectfully requested to approve the following resolutions:

Resolution 1

The Water Authority hereby resolves to accept the documents required to open a Chequing Bank account with First Caribbean International Bank in Cayman Islands Currency and a Savings Account in United States of America Currency for the Water Authority for the sole purpose of the Caribbean Water & Wastewater Association's conference being held virtually in the Cayman Islands in October 2021 and be it resolved that the authorised signatories are the Director, Dr Gelia Frederick van Genderen, Deputy Director, Tom van Zanten as "A" signatories, and the Chief Financial Officer, Ms Lori Bergman and Financial Manager, Mrs Trecia Hew as "B" signatories.

Resolution 2

The Water Authority hereby resolves to authorise the elected meeting Chairman, Mr James Gill and the Secretary, Dr Gelia Frederick-van Genderen to sign on behalf of the Water Authority the *Banking Resolution, Business Account and Services Application Form* and a *summary letter* signed by the elected meeting Chairman and Director.

The motion to accept the above resolutions to allow the Water Authority to open a USD Savings Accounts and a KYD Chequeing Account to facilitate the CWWA Conference was moved by Mr H B Ebanks, seconded by Mr M Rankine and passed unanimously by members able to vote.

d) **Miscellaneous Updates.**

- a) ***In-House Pipelaying Crews*** - The Secretary reported that the New Works crew installed nearly 100 metres (320 feet) of 80mm (3-inch) pipe at a private road off Manse Road, Bodden Town, and extended the 150mm (6-inch) water main in Spinnaker Road by approximately 35 metres (120 feet) to provide water to the Cayman Islands Sailing Club.

This crew also installed electrical conduits (100mm (4-inch) in diameter) at the Wastewater Treatment Plant, total trench length approximately 90 metres (300 feet). The number of conduits in each section varied between 1 and 10. Unfortunately due to the unavailability of concrete, this work could not be completed.

- b) ***Water Supply Division*** - The Secretary reported that the installation of the upgraded pipeline (from 200mm (8-inch) to 300mm (12-inch), between Portland Road and Maclendon Drive, total length approximately 500 metres (1,650 feet) has been completed. There were some delays due to failed pressure tests, but the new pipeline will be fully commissioned (i.e., disinfected, flushed and all service connections made) by 03 July 2021. It is expected that the remaining 150 metres (350 feet) of pipeline upgrade, between Maclendon Drive and the Airport Post Office, will be completed by 23 July 2021.

By the end of the week of 30 June 2021 Operations -WS will have completed the connection of the following new sub-divisions including the installation of water meters: NHDT Phase 2 (East End), and Casa Bella.

- c) Redacted under section 21 (1)(b) of the Freedom of Information Act (2021 Revision)

- d) Redacted under section 21 (1)(b) of The Freedom of Information Act (2021 Revision)

- e) ***Wastewater Division*** - The Secretary reported that during the month of June 2021 (01-26 June), the design hydraulic capacity of the wastewater treatment plant (2.5 mgd) was exceeded on ten (10) days. The average daily wastewater inflow from West Bay Road during that period was 2.46 mgd (or approximately 98% of the design treatment capacity). This amount was 7.5% less than the

average influent measurement during the same period the previous year (2.66 mgd).

As reported previously, leaks have been identified at manholes in Slate Drive and Whitehall Gardens. These will be replaced when the additional manhole rings have arrived on island.

It is expected that the installation of the new WWTP SCADA system will commence next week and be completely set-up by 23 July 2021.

- f) ***Airport Connector Road*** - The Secretary reported that the contractor SanPik Contracting Cayman Ltd has installed the 750mm (30-inch) HDPE pipeline, including the 750mm x 500mm (30" x 20") HDPE cross at the North-West corner of the Wastewater Treatment Plant, without affecting the normal sewer operations.

The next phase is the pressure testing of the old (abandoned) 400mm (16-inch) Ductile Iron pipe to determine whether it can be used to bypass raw wastewater during the installation of the proposed 30-inch sewer force main. This test will be carried out later during the week of 30 June 2021.

If the aforementioned test is successful, the contractor's temporary bypass pumps will be set up at the main wastewater pumping station PS1 (at the intersection of Marbel Drive with West Bay Road), and will be test run for a few days to verify these pumps can handle the incoming wastewater flow. Then, the new 750mm (30-inch) HDPE sewer force main will be connected to the existing 600mm (24-inch) HDPE sewer force main. It is anticipated that this will occur in mid-to-late July 2021.

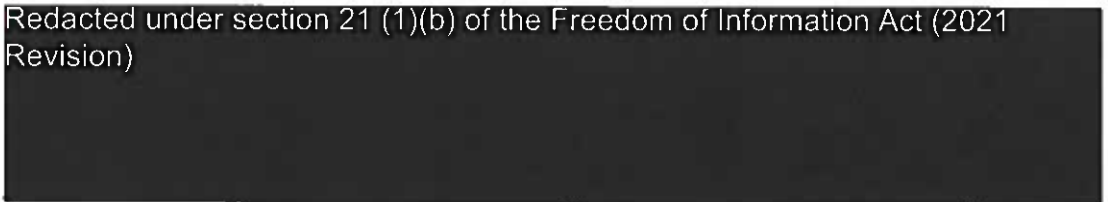
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- h) ***FOI updates*** - The Secretary reported that one new FOI question was received since the 02 June 2021 Board meeting as indicated in the FOI Report provided to members.

- i) Redacted under section 21 (1)(b) of The Freedom of Information Act (2021 Revision)
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- j) **Algal Bloom George Town Harbour** - The Secretary reported that further to the report about the algal bloom in the George Town Harbour Area at the 318th Board meeting, on 10 June 2021 the Water Authority received the sample analysis report from the scientists at the (US) National Centers for Coastal Ocean Science of the (US) National Oceanic and Atmospheric Administration. This is the laboratory that DOE had contacted for help to identify the organisms that caused the brownish colour of the water in the George Town Harbour. In their initial response the laboratory confirmed that the organisms were dinoflagellates. Through light, fluorescent and electron microscopy the organisms were further identified as *Gonyaulax striata*. These organisms have been identified in Australia, New Zealand, Antarctic, Western Pacific and Middle Eastern waters. To the Water Authority's knowledge DOE has had no further discussion yet with the laboratory to obtain more context.
- k) **Stormwater Management** - The Secretary reported that upon request from the Deputy Chief Officer of the Ministry of Planning, Agriculture, Housing & Infrastructure (PAHI), the NRA, Planning, DOE and the Water Authority convened a meeting on 29 June 2021 to discuss stormwater management in Grand Cayman. Historically this issue has raised concerns, in 2003 the same entities formed the Stormwater Management Committee and made recommendations to the relevant ministries at the time. With continued rapid development of many low-lying areas, climate change and loss of undeveloped areas to development the management of stormwater has become more and more of a challenge. At the first meeting it was agreed to hold further meetings to determine the underlying issues and to make recommendations to Government.
- l) Redacted under section 21 (1)(b) of the Freedom of Information Act (2021 Revision)
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Redacted under section 21 (1)(b) of the Freedom of Information Act (2021 Revision)

Current Business

a) Management Accounts May 2021.

The Acting Chairman reported that the CFO was pleased to provide the management accounts for the five-months ending 31 May 2021.

As noted at the 02 June 2021 meeting the Authority is showing lower water sales in 2021 than in 2020. Engineering and Finance researched the decrease and confirmed that the sales and consumption data was reasonable indicating that Water Authority customers consumed 13% less water in March 2021 than in other 2021 months. Upon evaluation there was no definitive reason for this decrease as other months are comparable to 2020. April and May sales are within expectation and both departments will continue to monitor, cross checking production data with consumption and sales figures to identify any anomalies.

The CFO confirms that a provision for Health and Pension will be reflected in the second quarter statements to account for the expected increase in the year-end actuary reports.

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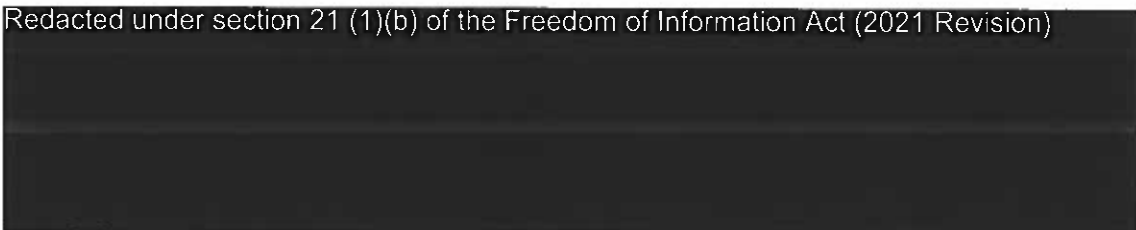
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d) Redacted under section 21 (1)(b) of the Freedom of Information Act (2021 Revision)



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Water Authority's Adjustment of Rates 2021 and decided to proceed with the rate adjustment of 2.22% effective 01 August 2021 (or the 1st of the month after receiving approval) pending the OAG's verification and OfReg's acceptance. The Ministry should be informed as well. Mrs L Ryan left the meeting at this point to catch the flight back to Cayman Brac.

Any Other Business


- a) Redacted under sections 21 (1)(b) and 23 of the Freedom of Information Act (2021 Revidsion)
- b) **CWWA 30th Annual Conference & Exhibition.**
The Secretary advised that the MOU was signed on 09 June and plans for the conference are well underway.
- c) **Staff Matters.**
Scholarship Programme
The Secretary respectfully sought a nomination from the Board for a Board member to serve on the 2021 scholarship interview panel as Mr A Wright is no longer available. Members able to vote agreed for Mr Hansen B Ebanks to represent the Water Authority Board on the interview panel for the 2021 Scholarship interviews. The Secretary noted that one of the shortlisted applicants has been awarded a scholarship with CUC, the applicants will be reviewed again to determine if one out of the remaining applicants is suitable.

Donation Requests

The Secretary advised that there were no sponsorship requests for this meeting.

There being no other business the Acting Chairman thanked members and the meeting was adjourned at 2:47pm.

This is a true and accurate account of the proceedings.



The Acting Chairman elected by members able to
vote at the 319th Meeting held on 30 June 2021



The Secretary