

CONFIDENTIAL



Water Authority of the Cayman Islands

**Minutes of 332nd Meeting held on 23 November 2022
at the Water Authority of the Cayman Islands' Headquarters,
13G Red Gate Road**

Members Present:

Chairman:	Mr D Rankine
Members:	Mr N DaCosta - <i>virtual</i> Mr G Ebanks Ms A Owens Mrs L Ryan - <i>telephone</i> Mr M Scotland
Secretary:	Dr G Frederick-van Genderen
Apologies:	Mr H B Ebanks Mr D Ebanks Mrs I Simms Mr W Welcome

Call to Order

The Chairman gave his apologies for the delayed start, welcomed all members and then proceeded to call the meeting to order at 1:50pm after ascertaining that there was a quorum. The Chairman noted apologies for Mr H B Ebanks, Mr D Ebanks, Mrs I Simms, and Mr W Welcome. He then invited Mrs L Ryan to open the meeting with prayer.

Confirmation of Minutes of the 331st Meeting held on 26th October 2022

The Minutes having been circulated and with amendments made, the Chairman asked for confirmation of the Minutes of the 331st Meeting held on 26th October 2022. Mr M Scotland

then moved the motion to accept the Minutes, Mr G Ebanks seconded the motion and the motion passed unanimously by members able to vote.

Declaration of Conflicts of Interest

No declarations of interest were made.

Matters Arising

a) **Cayman Brac Infrastructure Upgrade & Expansion Project - Update & Presentation.**

The Secretary reported that by 18 November 2022 the New Works Pipelaying Crew had installed approximately 670 metres (2,200 feet) of 200mm (8-inch) pipe along Bight Road, from Surf Lane towards Watering Place, out of a total of approximately 950 metres (3,000 feet) to the next in-line valve at Blazer Drive (Watering Place). Pipelaying was reported to have progressed up to Eric Connor Drive.

From the week of 07 November 2022, the crew carried out cold-mix road reinstatement at several locations along Bight Road (typically where they cross the entrance to commercial establishments or plazas). They also moved excavated material to the Bluff site and cleared the Bluff site of the accumulated non-useful items.

The Secretary reported that one of the Assistant Operator-WS from Grand Cayman is relocating with his family to Cayman Brac and will join the New Works Crew in Cayman Brac on 05 December 2022. Two Labourers were selected from Cayman Brac and due diligence is underway for them. One of the Assistant Operators-NW in Cayman Brac was promoted to Heavy Equipment Operator-New Works (CYB) effective 01 November 2022. The two Cayman Brac Public Works Department staff are still assisting the crew.

The Secretary noted that the crew also assisted with leak detection on the water distribution system and repairs over three days, mainly working at night. Three leaks (on service lines) were found and repaired. On 17 November 2022 two additional leaks (on service lines) were identified (west of West End Primary School), which will be repaired soon. The crew also installed one water meter.

West End Water Works Pump House

During the first ten months (January - October) of 2022 the total water sales in Cayman Brac were approximately 0.1% less than during the same period last year. Pipeline sales were up 11.6%, but trucked water sales were down 16.6%, compared to the same period last year. The reduction in trucked water sales were likely due to the relatively 'wet' months of March through October compared to previous years, as well as the slight increase in piped water customers.

West End Water Works RO Plants

In October 2022 the overall water production in Cayman Brac averaged 558 cubic metres per day, which equates to approximately 73% of the overall water production capacity at West End Water Works.

Brac Bluff Water Works

The Secretary reports that there have been no further developments.

b) New Red Gate RO Plant - Update.

The Secretary reported that Ocean Conversion Cayman Limited (OCL), the contractor for the Procurement of and Operating Agreement for a Sea Water Desalination Plant at the Red Gate Water Works, received the structural phased permit approval for the RO Building from BCU/Planning on 30 September 2022.

Phoenix Construction, the building contractor, continues work on the building foundation. The first concrete placement (for the building footings) occurred last week.

c) New Water Storage Tanks at North Side Water Works - Update.

The Secretary reported that Jairam Ltd, the contractor for the supply and erection of two bolted steel tanks for water storage at the North Side Water Works, continues to make progress as per the construction schedule.

The Secretary noted that on 19 October 2022 the contractor completed the interior sections of the base slab for the first tank and on 10 November 2022 the interior sections of the base slab for the second tank were completed.

The contractor had previously confirmed that the shipment of the steel tank panels was expected to arrive on island by mid-November 2022. However, in early November they were informed that this shipment has been delayed through transit points and is not expected to arrive in Cayman until mid-December 2022.

The contractor also confirmed that by the end of October 2022 two containers with the sections for the aluminium geo-dome roofs were shipped from Spain. One additional container will be shipped soon. These containers are also expected to arrive on island by mid-December 2022.

With this shipping delay this project has now come to a temporary standstill until the shipments arrive. The Contractor has temporarily ceased all activities at the site and is expected to resume work after the Christmas break on 03 January 2023.

d) 31 December 2021 Audit of Consolidated, Island & Divisional Statements - Update*31 December 2021 Non-Defined Benefits (DB) Employees Post-Retirement Healthcare*

The Secretary reported that there is nothing new to report.

31 December 2022 Audit of Consolidated, Island & Divisional Statements

The Secretary reported that interim work for the 31 December 2022 audit has started, commencing with the audit of IT controls. The Authority is expecting an Audit Kick-off meeting to be scheduled with KPMG, OAG, the Director, Deputy

Director, and CFO from the Authority at some point in the coming weeks. The Finance Department is prepared and ready for when KPMG comes on site.

Annual Report 2022

The Secretary reported that the 2022 annual report is being drafted and a solid draft will be made available to the OAG and KPMG by the 28 February 2023 deadline for 2022 reporting.

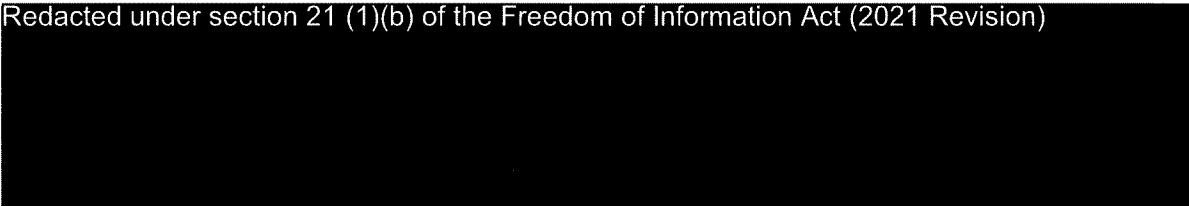
Audit Tendering Process

The Secretary reported that the evaluation process has been completed and according to Bonfire the successful vendor was Baker Tilly (BT). BT was able to answer outstanding questions to the satisfaction of the OAG and the Secretary confirmed that the Water Authority will work professionally with the successful vendor on the audit engagements for the 2023-2027 period.

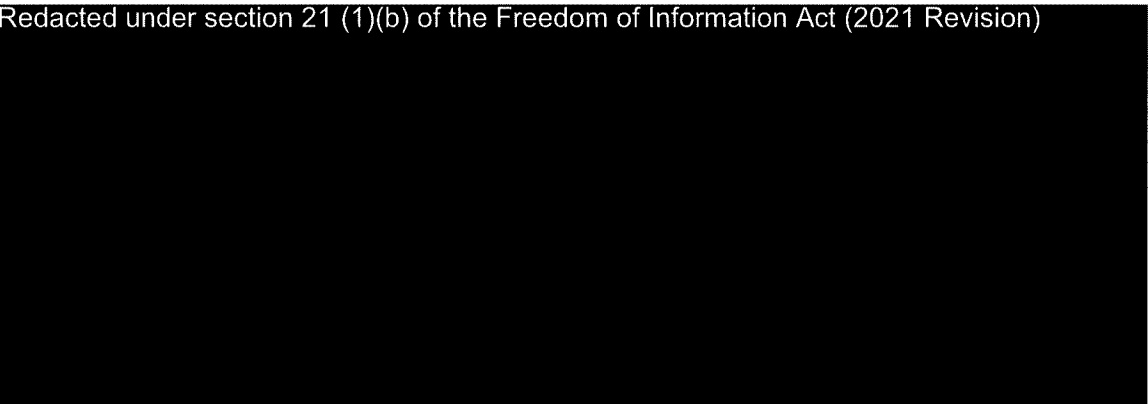
e) **2021 & 2022 Rate Adjustments - Update.**

The Secretary reports that since the last Board meeting there are no further developments on the 2022 rate adjustment.

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



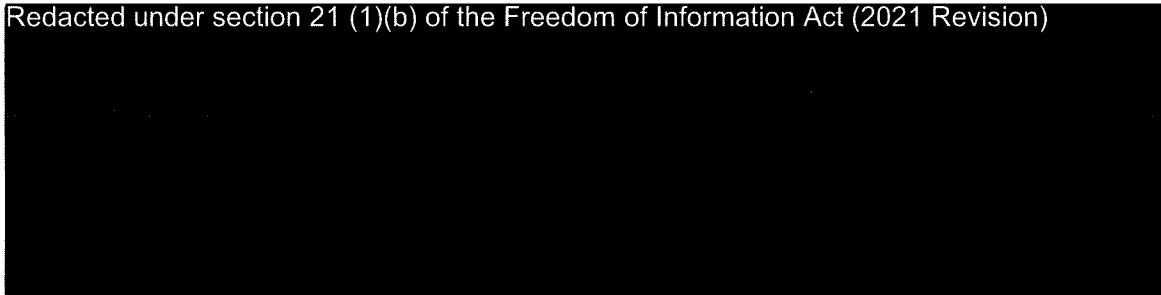
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Department Updates

a) **Finance**

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Clifton Hunter High School Project

The Secretary reported that Year -11 Clifton Hunter Students reached out the Water Authority on 19 October 2022 to request assistance with a school project with the topic "*The Barriers Affecting Communication in the Finance Department of the Water Authority – Cayman*". The CFO responded with the Authority's willingness to participate/assist with this project on 20 October 2022. As of this meeting there has been no follow-up information or request to meet.

b) Engineering Services*1) Engineering*

The Secretary noted that as reported previously, CUES has provided the MACP (Manhole Assessment Certification Protocol) report (both in hard copy and electronic format) for each manhole inspected by Water Authority, including SPiDER Webviewer files (including measurements and notes) and various other deliverables. The SPiDER web viewer software has been received and is awaiting roll-out on the Engineering staff computers. Unfortunately, this has been delayed due to key staff sickness absence with COVID-19, and will require assistance from IS department, as well as additional training from CUES to ensure the Authority gets the most out of the ArcGIS dataset.

North Side Water Works Chemical Storage – There are no new developments to report on the contract to install insulation and roofs to the three containers in which chemicals are stored at the North Side Water Works.

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Valve Exercise Programme - Nothing new to report on the contract to uncover and raise 400+ valves which have been covered over by the NRA's extensive paving programme in 2021.

2) *New Works Division*

As reported previously, pipelaying along the new section of the Linford Pierson Highway was temporarily halted, as NRA was still working on the construction of the new roundabout and the preparation of the new road northwards along Bobby Thompson Way towards Smith Road. Pipelaying at the roundabout resumed on 23 November 2022. The New works pipelaying crew will install various tees and valves to accommodate pipelaying towards the south (Fern Circle), the west (Outpost Street, Hislop's warehouses), and the north (along Bobby Thompson way towards Smith Road).

The crew commissioned a new 80mm (3-inch) pipeline along Evco Tours Lane (off Mangrove Avenue, Prospect), total length approximately 170 metres (550 feet), and connected 3 existing customers to the new pipeline.

The New Works pipelaying crew also commissioned (installed, tested, disinfected, and flushed) a new 40 metre (120 feet) long 100mm (4-inch) pipeline across Rex Crighton Boulevard (to the new Frangipani Villas). The road crossing has had the final reinstatement with hot mix asphalt.

3) *Water Distribution & Treatment Division*

On 12 September 2022 Operations-Water Supply started the relaying of approximately 1,200 metres (4,000 feet) of 150mm (6-inch) pipe along Marina Drive. This work was expected to be completed by early December 2022. Unfortunately, work on this project was halted to carry out the relaying of approximately 100 metres (320 feet) of 300mm (12-inch) PVC main along Water Cay Road from the Retreat to Sand Point Road. This was due to multiple leaks that were found along that section of pipeline after the passing of Hurricane Ian on 25 September 2022. This pipeline section was returned to normal operation on 21 October 2022.

During the week of 31 October 2022 additional leak detection investigations were carried out along Water Cay Road, Sand Point Road, and Finger Cay, which indicated the presence of additional leaks along these roads. Further

investigations will be carried to locate those leaks. As mentioned above, work along Marina drive has been halted until this leak location and repair work near Water Cay Road has been completed.

On 31 October 2022 Operations-Water Supply completed the connection of the next phase on the new sub-division on Cooper Drive (off Austin Conolly Drive). This work included installing water service lines to twenty-seven individual lots.

On 04 November 2022 Operations-Water Supply completed the connection of the first phase of the new sub-division for Charles Watler off Beach Bay Road. Water service lines were then installed to thirty-four individual lots. On 19 November 2022, a contractor installing electrical lines at this development damaged the 6-inch water main. The water supply to the development has been shut off and will remain shut off until the damaged pipe has been repaired, the contractors have completed all utility installation work, and the pipeline (in its entirety) has been successfully pressure tested again.

During the first ten months (January – October) of 2022 the total water sales on Grand Cayman were approximately 3.1% higher than during the same period last year.

4) *Water Production Division*

It had previously been reported that the first membrane replacement on one of the two LVRO trains was tentatively scheduled to take place in mid-November 2022. However, to ensure that the pre-filters are working as required (and thus protect the new membranes), more detailed testing of the well water will be carried out to collect data on TDS, TSS and Biological Activity Reaction Test (BART). A new date for replacing of the membranes will follow.

5) *Wastewater Collection & Treatment Division*

In October 2022 the design hydraulic capacity of the wastewater treatment plant (2.5 mgd) was exceeded on six days (or 19.4% of the time). The average daily wastewater inflow from West Bay Road during October 2022 was 2.36 mgd (or 94% of the design treatment capacity). This is approximately 15.4% less than the average influent measurement during the same month in the previous year (2.79 mgd).

Last week the replacement of the decant pipework in SBR #3 basin was completed.

SanPik Contracting Cayman Ltd is currently working north of Governor's Square, carrying out the urgent replacement of a main line manhole just north of Government House on the east side of West Bay Road. This manhole is in a very bad condition (groundwater is gushing in) and is in danger of collapse. As this manhole is situated just inside the southbound lane of West Bay Road,

southbound traffic is diverted into the turn lane to keep them away from the work area. There is adequate road width available to accommodate two lanes of traffic. Additionally, the 10-inch Vitrified Clay gravity sewer between this manhole and the upstream manhole further east will be lined with 8-inch HDPE pipe, eliminating the groundwater infiltration in this pipeline section. It is anticipated that this work will be completed by the end of next week.

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- 6) *Cayman Brac Water Works*
Updates under Current Business on the Agenda.

c) **Customer Service**
Customer Statistics

The Secretary reports that as of 31 October 2022, the Authority had the following active accounts:

	Jan22	Feb22	Mar22	Apr22	May22	Jun22	Jul22	Aug22	Sep22	Oct22
GCM piped water	19,828	19,859	19,884	19,928	20,006	20,094	20,121	20,207	20,276	20,316
GCM Septage	9	9	9	9	9	9	9	9	9	9
CYB Trucked	704	685	688	715	726	676	666	465	489	665
GCM Sewer	467	471	472	472	474	474	470	472	472	482
CYB piped water	446	448	453	457	460	460	462	474	476	476

There were 179 accounts disconnected in October 2022 of which 108 were reconnected. There are currently 118 agreements outstanding for a total of \$138,641.23.

Cogsdale Customer Issue

The October 2022 bill run had 505 bills that were mailed with an incorrect balance. This was due to a bug in the software where the system did not identify the payment made to the account and therefore printed the bill with a past due balance. The IS department coordinated with Cogsdale to rectify the issue and reprinted bills are now showing the correct balance. Even though the statements printed with an incorrect balance, the accounting ledger always had the correct information.

Customer Portal

The Secretary advised that NetClues is ready to do a final presentation, but this has been put on hold due until the Customer Service Manager returns to work.

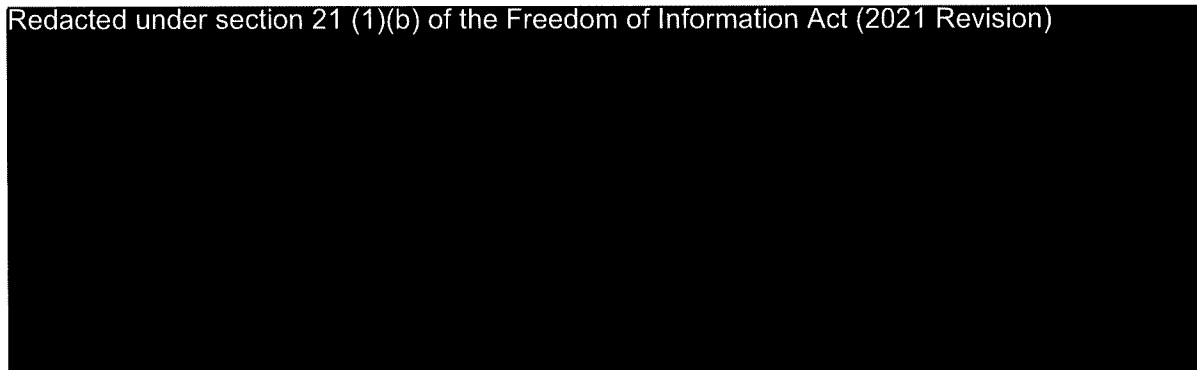
Call for your Balance

The Secretary reported that for the month of October 2022, the system handled 862 calls. The highest number of calls were 61 received on 20 October 2022.

d) Human Resources

Recruitment & Staffing

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One of the Assistant Operators-NW (CYB) was promoted to Heavy Equipment Operator-New Works (CYB) as of 01 November 2022. This employee also received heavy equipment simulator training in Grand Cayman on 11 November 2022 to

enhance his heavy equipment operating skills.

One of the Assistant Operators-WS in Grand Cayman will transfer to the position of Assistant Operator-NW (CYB) effective 05 December 2022. Two candidates accepted the Labourer-NW (CYB) position and HR is currently carrying out the due diligence process.

Interviews have been scheduled for the Learning & Development Coordinator this week. Recruitment for the Civil Engineer positions and Assistant Operator-WW and WS are ongoing.

As reported at previous Board meetings, these vacancies continue to significantly impact the Authority's progress on major projects and priority will continue to be given to critical infrastructure projects that impact water and wastewater.

UCCI STEM Scholarship Programme

The Secretary reported that UCCI has invited the Water Authority to attend a celebratory event which will provide an opportunity to meet the 4 successful recipients of the grants from the Authority's Scholarship funds that were donated to institution in 2020 to assist students in STEM-related subjects. This will take place on 01 December 2022 at UCCI.

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Performance Adjustment

A performance adjustment averaging 1.5% of base salaries, was implemented for eligible employees based on their performance in 2021.

COVID-19

The Secretary reported that on 16 November 2022, zero employees were COVID-19 positive.

Job Evaluation –Portfolio of Civil Service.

No further information.

FOI updates – One new FOI question was received since the 26 October 2022 Board meeting as indicated in the report provided to members.

e) Information Services

Great Plains Software Upgrade

The Secretary advised that the Authority is now on the Modern Lifecycle platform with the expectation that upgrade on both the CSM and GP platforms will be done on a regular basis under the supervision/control of Cogsdale. Speed continues to be addressed by the IS Department and the Cogsdale support team. The Service Order module and Letter Writer issues have been fixed by Cogsdale.

Telephone System Upgrade

The Secretary reported that the upgrade continues to progress well. All licensed software has been verified. The Mitel Border Gateways (MBG) have been installed and tested. All technical aspects should be completed by the end of this month however there is still extensive testing to be done. As the holiday season is almost here and several key staff will be on leave, the cutover will likely take place early January 2023.

The Mitel MiCollab software can be used for Account Balance queries and calls for Disconnect reminders. This will give more up-to-date information than the current IVR system as it will pull it directly from Cogsdale and will be developed by the IS Department in conjunction with input from Customer Service Department.

Locally Developed IVR System

No further work was done on this project since the last meeting.

Building Access Control

The Secretary reported that regarding the Verex Access Control Replacement, Island Electronics advised that now they do not expect to receive Fobs until early in 2023.

f) Water Resources & Quality Control

Geology Education Week

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- One day geology course on 24 October 2022 for high school teachers and staff of Water Authority, Department of Environment and National Roads Authority;
- Geology lessons at schools in Grand Cayman on 25 October 2022; and
- Geology lesson and field trip for Layman E Scott High School on 26 October 2022 as well as a short field trip for the Water Authority Board.

Planning for Geology Education Week 2023 will incorporate the Water Authority's 40th Anniversary celebrations. Geology Education Week provides an avenue to share the knowledge of Dr Jones with teachers and high school students and to develop interest and awareness in the sciences.

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Book Publication - Geology of the Cayman Islands by Dr Brian Jones

Over the last year Dr Brian Jones has worked on a book about the Geology of the Cayman Islands. The book documents the scientific geological research that he and his colleagues at the University of Alberta have conducted in the Cayman Islands over the last 40 years. A tremendous amount of work has gone into the preparation of the book. The book provides a unique scientific record of all aspects of the geology of the Cayman Islands. This information will now be accessible to professionals in the Cayman Islands and elsewhere.

The book, entitled the "Geology of the Cayman Islands: Evolution of Complex Carbonate Successions on Isolated Oceanic Islands", was published on 13 November 2022. The sales price for a hard copy is US\$59.99 without shipping and handling. The rule of thumb at bookstores in the Cayman Islands for the sales price of books is to apply a conversion of 1 US\$ = 1 CI\$, with the difference covering shipping and handling. If this same practice is followed, the book would be offered to the public for CI\$59.99.

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g) Director's Office

Review of proposed Water Sector Regulation (Licences and Fees) Regulations, 2022

The Secretary advised that there nothing new to report. The Secretary reminded members of the purpose of the Water Sector Regulation (Licence and Fees) Regulations which is to implement a licensing framework outlining the types of licences and licence fees associated with those licences and the regulatory fees for regulating the water sector.

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Water Authority's Little Cayman Property

The Secretary reported that the Water Authority's Little Cayman property (3.748 acres, vested in the Water Authority from the Crown) located at Little Cayman West Block 80A Parcel 438 was valued by the Lands & Survey (L&S) Department on 23 August 2022. The valuation report from the L&S Department gives the property the approximate value of CI\$196,000. This property was added to the Authority's Fixed Assets register, back dated to January 2022, and included in the Financial Statements going forward.

CWWA's 18th High Level Forum (HLF-18) of Caribbean Ministers Responsible for Water
The Secretary advised that an update on the meeting will be provided at the next Water Authority Board meeting.

Current Business

a) Management Accounts September 2022.

The Secretary reported that a copy of the financial statements for the eight-months ended 30 September 2022 is available for members' review.

The Authority is in a strong financial position despite significant rising business costs. A 7.5% increase in sales is offset by increasing administrative and operating expenses.

Despite a 7.5% increase in sales the net income has decreased by 22.1% over prior year as the cost of doing business continues its relentless increases. Price increases are reflected in all areas of the business, but notably in utility costs, fuel prices, associated staff costs, etc.

Operating repairs and maintenance increase is concentrated on emergency and routine sewer repairs (replacement on Slate Drive, manhole replacement, replacement on Camelot Drive, etc.).

Administrative expenses have increased by 12.9% which is consistent with prior months and within management expectation.

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In summary, the Authority remains a robust and financially independent organisation with a strong operating income and cash reserves for essential capital and maintenance projects.

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b)

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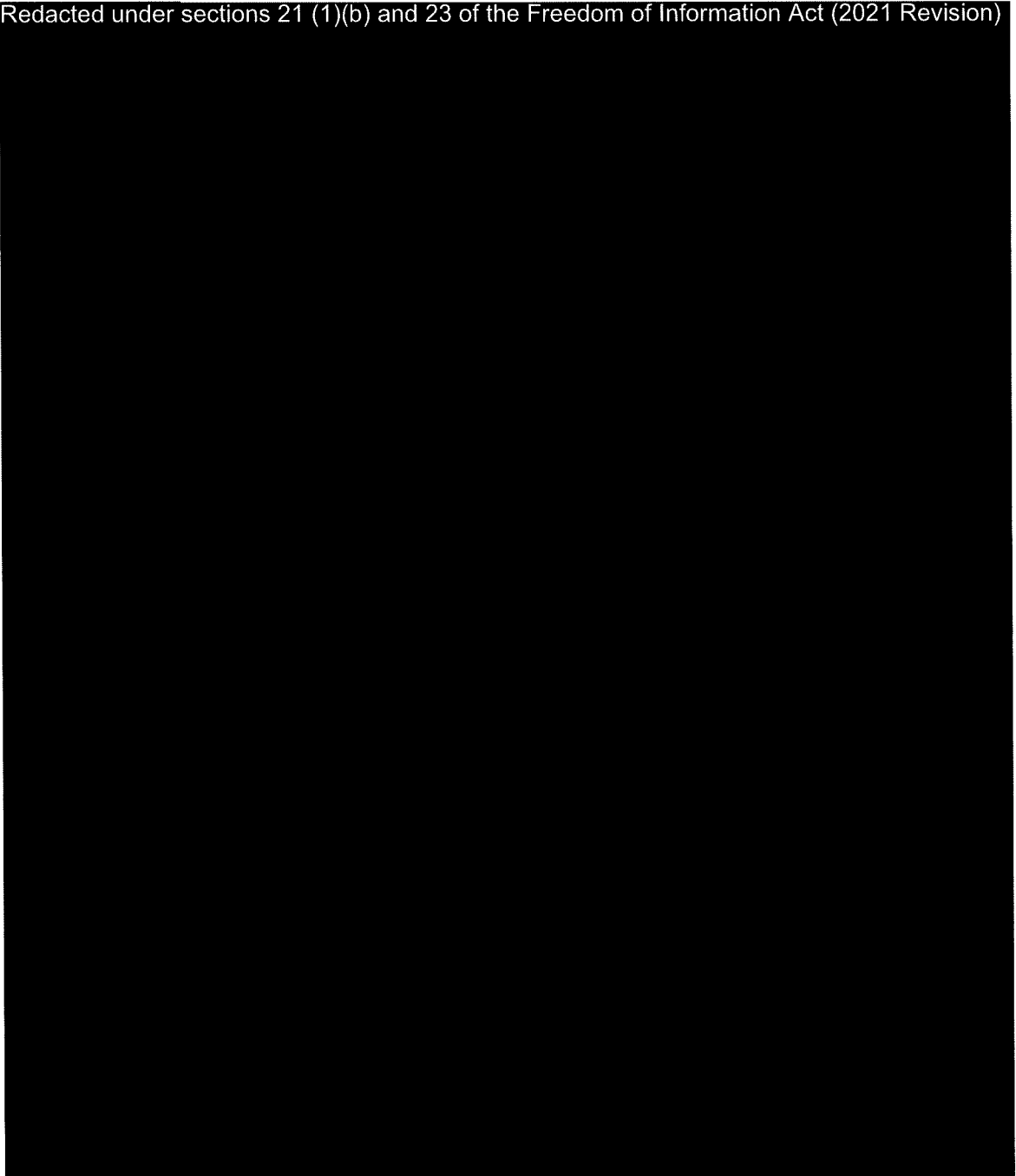


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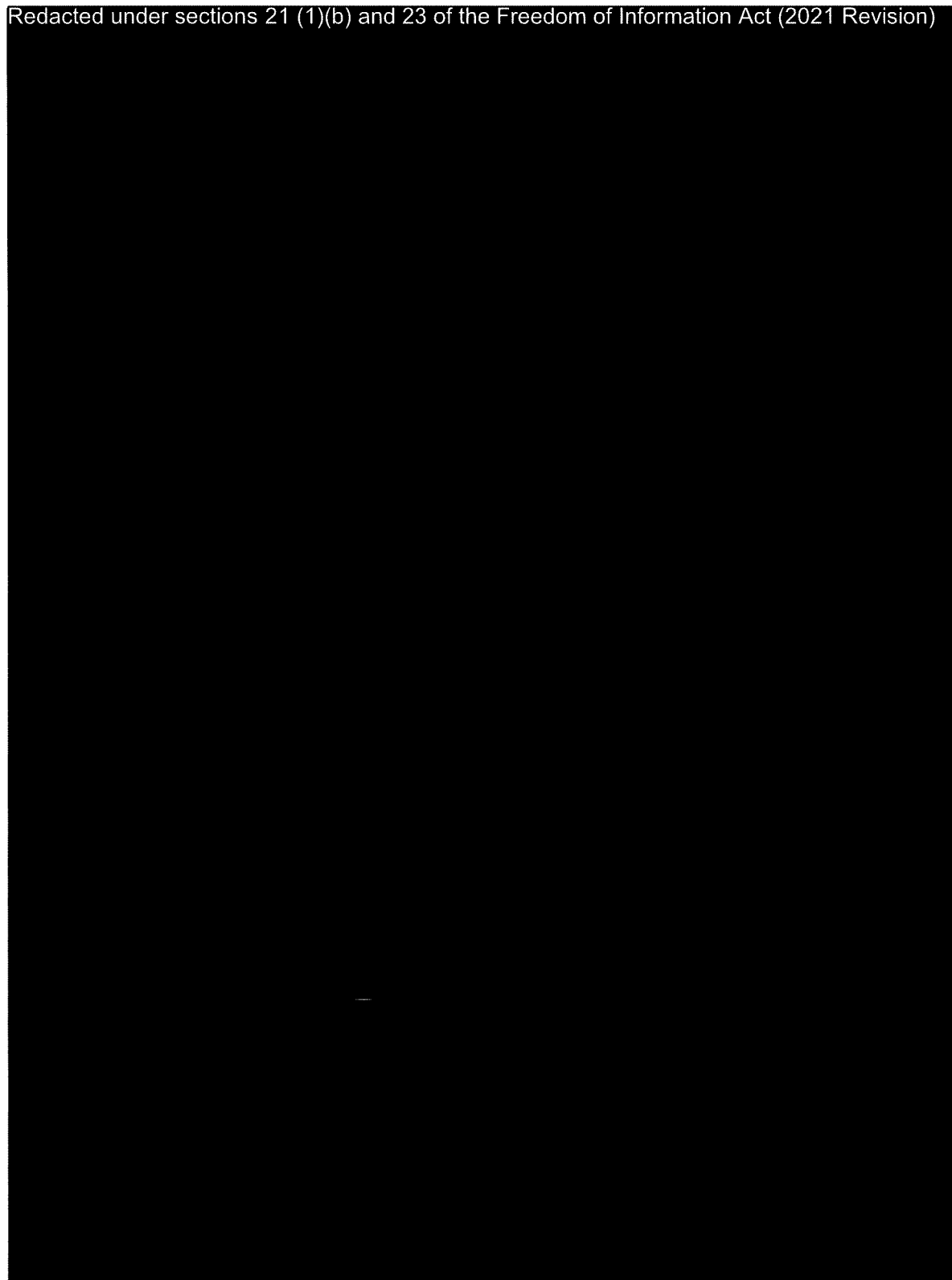
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Any Other Business

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Chairman's Award 2022

The Secretary reminded members that the Chairman's Award is given out at each Water Authority's Christmas Social to an employee/employees recommended by the Authority's senior management team. The award is given to an employee who

has demonstrated consistently outstanding performance over the calendar year. The Secretary explained that this year the senior managers had not completed the voting process however it was clear that there were two front runners. The Secretary was asked to provide information about the two nominees:

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Donation Requests

The Secretary advised that the Sponsorship Assessment Sub-committee will meet after the Board meeting to deal with the following requests for assistance:

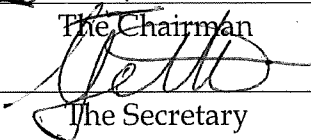
- a) *Ratify* - National Drug Council - Arrive Alive 2022.
- b) *Ratify* - Department of Counselling - International Men’s Day.
- c) *Ratify* - Ministry of DAL - Staff Christmas Function.
- d) *Ratify* - Dept of Planning Christmas Luncheon.
- e) *Ratify* - Facilities Management Department - Christmas Luncheon.
- f) *Ratify* - CI National Dance Co - 35th Annual Dance Season.

There being no other business the Chairman thanked all members and guests for attending and the meeting was then adjourned at 5:10pm.

This is a true and accurate account of the proceedings.



The Chairman



The Secretary