

Clement Reid

From: Dilbert, Leonard <Leonard.Dilbert@gov.ky>
Sent: Thursday, December 29, 2011 5:35 PM
To: Scott, Shomari; Bush, McKeewa (Premier); Ulett, Patricia; wmbush@candw.ky
Cc: Paul Hurlston; Clement Reid; Joseph Woods; Racquel Brown; Parchment, Richard; John Henry Ebanks; Solomon, Ellio
Subject: RE: RCCL Tender Project

Noted, thanks Shomari; I've just picked up your email. It endorses my essential points: that time is of the essence, to get the best out of this; and, that specific expenditure authorization is required.

Kind regards,

Leonard A. Dilbert, J.P.
Acting Chief Officer
Office of the Premier
and Ministry of FT&D

From: Shomari Scott [mailto:sscott@caymanislands.ky]
Sent: Thursday, December 29, 2011 5:33 PM
To: Dilbert, Leonard; Bush, McKeewa (Premier); Ulett, Patricia; wmbush@candw.ky
Cc: Paul Hurlston; Clement Reid (creid@caymanport.com); Joseph Woods; Racquel Brown; Parchment, Richard; John Henry Ebanks (johnne@caymanport.com); Solomon, Ellio
Subject: RE: RCCL Tender Project

Mr. Dilbert,

I just finished an email with the information received from the various sources, our emails must have passed in cyber space, please look out for that email that has as much info as we were able to get at this time.

Warmest Regards,

Shomari Scott
Director of Tourism (Ag.)
Cayman Islands Department of Tourism
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From: Dilbert, Leonard [mailto:Leonard.Dilbert@gov.ky]

Sent: Thursday, December 29, 2011 5:29 PM

To: Shomari Scott; Bush, McKeever (Premier); Ulett, Patricia; wmbush@candw.ky

Cc: Paul Hurlston; Clement Reid (creid@caymanport.com); Joseph Woods; Racquel Brown; Parchment, Richard; John Henry Ebanks (johne@caymanport.com); Solomon, Ellio

Subject: RE: RCCL Tender Project

Importance: High

Noted, thanks Shomari.

Unfortunately, the additional quotations from Flowers have not yet been seen, so we do not yet have a total figure for the investment to be approved; this is difficult, given the timeframe previously identified re New Year's bookings etc.

Based on the estimates you have cited, it would appear that this remains a sound economic stimulus type of investment; but clearly the final 'green light' has yet to be given – the decision in principle stands, as I understand it, but it seems specific authorization is needed for expenditure of a total identified sum, from a specified source.

Kind regards,

Leonard A. Dilbert, J.P.
Acting Chief Officer
Office of the Premier
and Ministry of FT&D

From: Shomari Scott [mailto:sscott@caymanislands.ky]

Sent: Tuesday, December 27, 2011 11:20 PM

To: Bush, McKeever (Premier); Dilbert, Leonard; Ulett, Patricia

Cc: Paul Hurlston; Clement Reid (creid@caymanport.com); Joseph Woods; Racquel Brown; Parchment, Richard; John Henry Ebanks (johne@caymanport.com); Solomon, Ellio

Subject: RCCL Tender Project

Premier Bush/Mr. Dilbert,

Update as of tonight.

Economic Impact

1) Govt Fees to be Waived

- a. 17,930 passengers had actually been booked at the time of the meeting the Premier had with RCCL a few weeks ago. RCCL has worked out the government fees at \$12.27 per manifested passenger. They will try to fine tune this number this week but at my request they gave the number that they were

working with at the time of the meeting. The $17,930 \times \$12.27 = \$220,001$. This is a portion of the taxes that will need to be waived as more persons have probably booked since that last meeting.

- 2) Govt Fees to be received
 - a. $60,500$ (Total Manifested Passengers) – $17,930$ (Passengers Booked) = $42,570 \times \$12.27 =$ **\$522,333** (Fees to be received by Govt)
- 3) On Island Spend
 - a. $60,500$ passengers * 90% disembarkation rate = $54,450$ passengers * USD\$82.04 on island spend = **\$4,467,078** (On island spend)

Setup Costs

- 1) Temporary Housing
 - a. RCCL confirmed today that the marquee tent material does not meet the requirements needed in order to house the security equipment.
 - b. Modular housing: **200,000kUSD**
 - c. Shipping: **50,000kUSD**
 - d. Installation: **TBD**
- 2) Security Costs
 - a. Security Equipment: Flowers Group to give costing tomorrow.
 - b. Security Personnel: Flowers Group to give costing tomorrow.

Note:

- 1) We have received confirmation from the Dart Group in that they have agreed to allow the government/port to use the land adjacent to the Royal Watler Terminal to be used for the purpose of setting up the security area.

Warmest Regards,

Shomari Scott
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From: Shomari Scott
Sent: Thursday, December 22, 2011 4:50 PM
To: 'Bush, McKeever (Premier)'; 'Dilbert, Leonard'; Patricia.Ulett@gov.ky
Cc: Paul Hurlston (phurlston@caymanport.com); Clement Reid (creid@caymanport.com); 'Joseph Woods'; Racquel Brown; Parchment, Richard; John Henry Ebanks (johnh@caymanport.com); Ello.Solomon@gov.ky
Subject: Flowers Gourps Needs for RCCL Project

Mr. Dilbert,

The Flowers Group has some needs in order to bring forth the best quote possible as well as to ensure we can move as quickly as needed when/if it becomes a go:

- 1) CTC Tender exception.
 - a. They are asking if they as a company due to the timing could have their contract receive the single source type of exception that is available from the CTC if we decide to move forward. I would suggest we wait to see what their quote looks like before going this route as the cost I am hoping is not above the 250k threshold.
- 2) Immigration Process:
 - a. They believe that they will be able to hire 10 Caymanians but that they will also need an additional 15-20 persons on work permit. As they would need to have a two month training period prior to having them conduct security they are concerned with the immigration process as it has held them up in past.
- 3) Duty concession:
 - a. As the equipment depending on cost will probably be leased they are asking if they could receive duty concessions.
- 4) Equipment insurance:
 - a. They need to know if they are expected to provide insurance or if the Port has insurance that would cover the equipment etc. (If they are expected to provide insurance the cost will of course increase.) (Clement/Joey, do either of you know the answer?)

Warmest regards,

Shomari Scott
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From: Shomari Scott
Sent: Thursday, December 22, 2011 4:28 PM
To: Bush, McKeeva (Premier); 'Dilbert, Leonard'
Cc: John Henry Ebanks (johne@caymanport.com); Ellio.Solomon@gov.ky; Paul Hurlston (phurlston@caymanport.com); Clement Reid (creid@caymanport.com); 'Joseph Woods'; Racquel Brown; Parchment, Richard
Subject: Update on RCCL Project

Premier Bush/Mr. Dilbert,

By way of an update please note the following:

Next Steps

- 1) We are awaiting costing for the security (equipment and personnel) from the Flowers Group.
- 2) We are awaiting costing for the temporary housing, including shipping and installation from RCCL. (This option is due to the fact that the tent marquee that Massive can provide may not be up to standard. In the meantime we are getting a quote from Massive in case the response is positive in regards to using the marquee tent.)

- 3) We are awaiting the number of persons who have already booked the 11 stops that will potentially occur in 2012 from RCCL. (This will help us to determine the monetary value of the fees that would still be collected by the government if we move forward with the project which will form part of the economic impact.)
- 4) If we conclude that the economic benefit for the additional 60k passengers that will disembark is greater than the cost to prepare for the Allure of the Seas, then the fee for the number of persons who have booked prior to the decision to put Cayman on the itinerary would need to be waived. (I am guessing this would need to go to Cabinet.)
- 5) Working with the tender company to see if they can reduce their fees which is on the RCCL wish list.

Economic Impact:

- a) 5,500 passengers * 11 stops= 60,500 passengers
- b) 60,500 * head tax of USD\$10.6 (\$6=Govt+ \$1.6=EPF +\$3=Port)= \$641,300. Less 15% already booked= **\$545,105** (additional tax to Gov)
- c) 60,500 passengers *90% disembarkation rate= 54,450 passengers * USD\$82.04 on island spend= **\$4,467,078** (On island spend)
- d) 545,105 + 4,467,078= USD**\$5,012,183** (Economic impact of on island spend and tax direct to Gov and Port.)

Notes:

- 1) Port Authority (Clement or Joey) to confirm if the head tax I have in the equation above is correct and if it is indeed US or needs to be CI.
- 2) For calculation sake I made the assumption that 15% have booked at this point, depending on the actual number received by RCCL this will of course change.
- 3) Used the 90% disembarkation rate as per the current trend.
- 4) The USD\$82.04 on island spend is the number from 2010 as 2011 has not closed and therefore we don't have this year's avg. spend as yet.

Warmest regards,

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