

**VERBATIM NOTES OF THE SEVENTEENTH MEETING OF THE JOINT
SELECT COMMITTEE APPOINTED TO ENQUIRE INTO AND REPORT
ON LAND AND PHYSICAL INFRASTRUCTURE HELD (IN PUBLIC) IN
THE J. HAMILTON MAURICE ROOM, MEZZANINE FLOOR, TOWER
D, PORT OF SPAIN INTERNATIONAL WATERFRONT CENTRE, #1A
WRIGHTSON ROAD, PORT OF SPAIN, ON TUESDAY, SEPTEMBER 05,
2017 AT 11.05 A.M.**

PRESENT

Mr. Stephen Creese	Chairman
Mr. Rushton Paray	Vice-Chairman
Mr. Darryl Smith	Member
Mr. Nigel De Freitas	Member
Mr. Wade Mark	Member
Mrs. Glenda Jennings-Smith	Member
Mr. Franklin Khan	Member
Dr. Lovell Francis	Member
Mrs. Angelique Massiah	Secretary
Miss Kimberly Mitchell	Assistant Secretary
Miss Katharina Gokool	Graduate Research Asst.

Current Board of the Port Authority of Trinidad & Tobago

Ms. Alison Lewis	Chairman
Mr. Adrian Beharry	Deputy Chairman
Mr. Ainsworth Mohammed	Commissioner
Mr. Tommy Elias	Commissioner

Mr. Dexter Jaggernauth	Commissioner
Ms. Suzette Baptiste	Commissioner
Mr. Leon Grant	CEO TTIT (Ag.)
Ms. Charmaine Lewis	GM/CEO (Ag.)
Ms. Michelle Scipio- Hosang	Manager, Fast Ferries

Mr. Chairman: Good morning, welcome. We are resuming our session from yesterday and I would like to again welcome the Port Authority of Trinidad and Tobago and the floor is open for questions.

Mr. Mark: Mr. Chairman, through you—and let me welcome the team once again. I had raised yesterday what appears to have been some inconsistency involving the charter party agreement and the Cabinet approval of the said charter party agreement. I wanted to ask the Chairman whether the appropriate Cabinet Notes and Minutes granting approval for this particular agreement—in fact those agreements—are available to the Port Authority of Trinidad and Tobago and whether those could be made available for our perusal.

And again, I wanted to ask of you, seeing that you are now assuming the chairmanship, even if it is so far a short period of time you have been in the chair, is this a practice that you will facilitate or permit in the future? Because this happened under your watch—that is the signing of this charter party agreement, and then the subsequent Cabinet approval. So can you, first of all, let us know if that is a practice that we can expect to continue under your watch in the future, and secondly, whether you would be kind enough to provide this Committee with the

Cabinet Note and Minute of the decision approving those party charter agreements subsequent to them being signed by those parties involved?

Ms. A. Lewis: Yes, you did raise it yesterday, and as I responded, the Cabinet Note and Minute would not reside in the Port Authority. What normally happens is that the Ministry of Works and Transport, as you know, the Minister of Works and Transport would take the Note to the Cabinet and once the Cabinet gives its approval, the Ministry of Works and Transport would write to the Port Authority indicating that there has been a decision and articulating in the body of that letter what the decision is. So that the Note and Minute would not reside in the Port Authority.

Mr. Mark: But the Port Authority would be called upon to make payments to the owners of those vessels.

Ms. A. Lewis: Yes.

Mr. Mark: So on what authority would the Port Authority be acting? You have to act on Cabinet authority.

Ms. A. Lewis: Yes.

Mr. Mark: So you must have possession of those Minutes.

Ms. A. Lewis: No. I would have possession of the authority from the Ministry. As a matter of fact, the Ministry of Works and Transport would be the party to the agreement, as I had indicated yesterday, and what they would do is authorize the Port Authority to make the payments with respect to—we have to apply for the releases from them in any event. They provide the necessary subventions to the Port Authority in order to make the payments because this is the Government shipping service that we are acting as agent for. So in that regard, that is how the arrangement is made.

Mr. Chairman: Sen. Mark, I understand we are ready to go live. So we have to

resume again.

Good morning and welcome to viewers. As you are aware, this is the second public hearing of the Committee pursuant to the Committee's enquiry into the Trinidad and Tobago Inter-Island Ferry Service with specific focus on the procurement and management of the ferries. This hearing is being broadcast live on Parliament Channel 11, Parliament Radio 105.5 FM and the Parliament's YouTube channel, ParlView. The members of the viewing and listening audience may send comments via email at parl101@ttparliament.org or on our Facebook page at [Facebook.com/ttparliament](https://www.facebook.com/ttparliament) or on Twitter@TTParliament.

I take this opportunity to again welcome the chairman and her accompanying representatives of the Port Authority of Trinidad and Tobago. I am, of course, Stephen Creese, Senator and Chairman of this Committee. I will now invite members of the Committee on my left to introduce themselves to our viewers.

[Introductions made]

Thank you, members. We are now proceeding with the questions. I think Sen. Mark was on the floor.

Mr. Mark: Yes. Well, thank you very much, Mr. Chairman, and let me once again welcome the Port Authority team headed by Ms. Alison Lewis here this morning once again. I would like to ask, rather, following on the submission I made yesterday that it is very unusual for a party charter agreement to be signed by the parties involved, which is the Government of Trinidad and Tobago, through the Ministry of Works and Transport and the particular owners of the vessels, Bridgemans Services Group LP, and having the Cabinet of the Republic of Trinidad and Tobago subsequently, literally, rubber-stamping that decision of these parties.

Based on your submission yesterday in response, you did indicate that was a bit irregular, or words to that effect. I wanted to ask whether this is a practice that is going to continue under your stewardship, because it happened under your stewardship. And secondly, whether you would be kind enough to make available copies of the Minutes of the 20th of June, 2017 as it relates to the Cabinet Minute involving the *Cabo Star*, and the 30th of June involving the *Ocean Flower*. Would you like to guide me on this matter, Madam Chair?

Ms. A. Lewis: Through you, Chair, as I indicated yesterday when the question was posed—firstly, I would respond to the first part because you did ask me yesterday whether or not Cabinet approvals have to be got before contracts and so are signed and I did indicate, yes, that that is the normal procedure. With respect to the present stance, as I indicated, the Ministry of Works and Transport is the party to the agreement on behalf of the Government of Trinidad and Tobago. The Port Authority does not have copies of the actual Cabinet Minute. That is something that is not sent as a matter of course to the Port Authority. What, in fact, happens is that the Ministry of Works and Transport who would take the Note—the Minister would take the Note to the Cabinet. Of course, we would assist in providing information for that Note. And what would happen is that when there is a decision, the Port Authority is advised of the decision that has been taken. So in effect, no Cabinet Minute per se resides with the Port Authority so I am unable to furnish you with a copy of that. I think that is properly before the Ministry of Works and Transport.

Mr. Mark: I had also asked whether the practice that has started is going to continue under your watch in terms of signing. Because remember, I have an advertisement in my file that has been issued by the Port Authority for a vessel. And I want to know when that whole exercise would have been completed,

whether we can find ourselves in a similar situation where the party charter agreement is signed and then the Cabinet is asked to rubber-stamp, whether that practice is going to continue under your watch. Or is that going to come to an end?

Ms. A. Lewis: Well, you know, Senator, I cannot say. I do not have control over that process. That process is a process that is done by the Ministry of Works and Transport and the Cabinet and the Port Authority is advised. As I said, this is a Government shipping service for which we are the agent, and we, basically, operate on instructions from the Ministry of Works and Transport and through the Cabinet. So therefore, we will continue to operate in a manner from—this board, and I can speak for this board in saying that we will follow whatever rules and regulations that we are governed by and that we would take our instructions from the Ministry of Works and Transport in this regard.

Mr. Mark: I have two other questions before I rest my case temporarily. It has to do with the process, the actual marks that were awarded in the tendering process in which the *Atlantic Provider* emerged as the winner in that transaction before the *Cabo Star* came on the scene. Could you advise us, first of all, of the final names of the final three vessels and their respective owners that would have been determined for the final award by the Port Authority Tenders Committee; the names of the three vessels? The owners of those vessels. And if you could also tell us the marks allocated to each one: how much A got; how much B got; how much C got. And if you can provide this body with the Minutes of the proceedings of that tenders committee that finalized those results in the order in which the final award was granted to the *Atlantic Provider*.

Ms. A. Lewis: With respect to—and I think we had submitted this in the document. The three were the *Atlantic Provider*, the *Elizabeth Ross* and the *MV Trinity Transporter*. The *Atlantic Provider* scored 14 points, the *Elizabeth Ross*, 13

and the *Trinity Transporter* seven, from the information that I have here. Sorry. Mr. Jaggenauth is on the tenders committee so he is helping me in this regard. The *Atlantic Provider* was 72 points; *Elizabeth Ross*, 70 and the *Trinity Transporter*, 67 points.

The other question that you asked was the owners, I think, of those vessels. With respect to the information I have here with respect to the *Atlantic Provider*, the registered directors and the company is Ocean Star Shipping Limited, Ms. Amanda Chitra Singh and Mr. Banie Gajadhar. With respect to the *Trinity Transporter*, the directors of the Trinity Offshore Shipping Supply and Tow Limited; the company is Mr. David Brash, Mr. Anthony Brash and Mr. Daniel Brash. With respect to the *Elizabeth Ross*, we did not have the information on the owners but that vessel was submitted by a brokerage company, Intercontinental Shipping.

Mr. Mark: My final question, Mr. Chairman, for this period. You did indicate yesterday as well, that the *Ocean Flower 2* was inspected by, is it Lloyd's Register?

Ms. A. Lewis: Lloyd's Register in Korea.

Mr. Mark: Was it the local Lloyd's or was it the foreign Lloyd's?

Ms. A. Lewis: No, sorry. This is Lloyd's registry, UK. They have got branches and inspectors globally and this was inspected in South Korea by the offices of Lloyd's in South Korea.

Mr. Mark: Could you indicate whether the inspection that was done, was it a physical inspection to determine sea trials? Did it include sea trials? Or what was the nature of the inspection you probably would want to share with the Committee?

Ms. A. Lewis: It was a physical inspection done by one of Lloyd's inspectors and it basically covered the hull and machinery inspection.

Mr. Mark: Was it done after or before the charter party agreements were signed on the 17th of June?

Ms. A. Lewis: This was done before.

Mr. Mark: Would you be kind enough to make a copy available of that report to the Committee? If it is not in the package—the Lloyd’s report is in our package?

Ms. A. Lewis:—we would provide it.

Mr. Khan: I have a couple questions and I just want to change the topic a little bit to the procurement of the *Super Fast Galicia*, and I know this board was not in place then, so I direct these questions to the management team at the head table, so either party could feel free to respond. I want to know, can the port management confirm that Ms. Nyree Alfonso was retained as an attorney-at-law to assist the port in the procurement of a vessel for the inter-island ferry service in 2013? Is that a correct statement?

Ms. C. Lewis: That statement is incorrect. She was not retained by the port. I believe from the onset she was retained through the Ministry—by the Ministry initially to assist with that procurement, and eventually she was invited to identify vessels that might have been available.

Mr. Khan: I have some notes here which say that at a meeting held on the 30th of December 2013, attended by the deputy chair of the port, Mr. Leon Grant, Ms. Sharon Mark and Mr. Selwyn Wong were present. She was given specific instructions to obtain a short-term replacement for the *MV Warrior Spirit*. Is that correct, Mr. Grant?

Mr. Grant: I recall that there was a meeting concerning the *Warrior Spirit* and I know that through the Ministry she did come to the port to assist us with the *Warrior Spirit*. That I do know. There were some serious issues and problems with

the *Warrior Spirit* at the time and we were trying to find a way how we could get out of that contract. That is what I recall about the meeting.

Mr. Khan: Having said that, is it true to say that the firm ND Alfonso and Company Limited, through its principal, Ms. Nyree Alfonso, did have a role in the procurement of the replacement of the *MV Warrior Spirit* on behalf of either the port or the Ministry or whosoever was involved in that process?

Mr. Grant: The Ministry would have engaged Ms. Nyree Alfonso to assist the Port Authority with respect to the *Warrior Spirit* and subsequent to that they may—I cannot confirm it now because I do not have the facts in front of me, but I remember vaguely that she was asked to assist in trying to find an urgent replacement with respect to the *Warrior Spirit*.

Mr. Khan: But I also have an invoice that was presented by her firm to the Port Authority charging for those services and it was, in fact, paid.

Mr. Grant: I am not aware of that invoice.

Mr. Khan: All right. Let me proceed further. How come this attorney in the firm ND Alfonso and Company, who apparently was intrinsically involved in the procurement process for the replacement of the *MV Warrior Spirit*, her company was listed as one of the nine companies invited to tender on a selective tender process, the firm ND Alfonso and Company Limited, a law firm? Were you aware of that? Because that list came from the port's manager.

Mr. Grant: The port's management.

Mr. Khan: Well, who it will come from? It is a selective tender on behalf of the port. It has to come from the port, not from the Ministry.

Mr. Grant: The board would have taken a position and authorized that we go out to tender and she may have been invited—I do not recall her being invited by the management to tender for any ferry.

Mr. Khan: Her name was included in a list of nine companies on a selective tender basis to make proposals or bids for the replacement of the *MV Warrior Spirit*. That is a fact.

Ms. C. Lewis: The records of the Port Authority reveal that Ms. Alfonso's name was among the list.

Mr. Khan: And what sort of due diligence was done there to include on the list somebody who obviously had a conflict of interest being an advisor on the very process that her company was bidding on?

Ms. C. Lewis: The persons who would have made that decision are no longer employed with the Port Authority. The then general manager and the port sec at that time, they are no longer engaged with the Port Authority, so I am unable to respond to that question. I would not know what the considerations were.

Mr. Khan: But the decision was taken to ask Alfonso and Company—

Ms. C. Lewis: Based on the records, yes.

Mr. Khan: So then we ended up with the *Super Fast Galicia*. Now, can the management confirm that the firm, Intercontinental was not invited by the port to submit a tender?

Ms. C. Lewis: From the initial list on the records, no.

Mr. Khan: But Intercontinental did, in fact, submit a tender that won.

Ms. C. Lewis: Yes.

Mr. Khan: How did that eventuality ever was allowed to take place?

Ms. C. Lewis: I have examined the records and we saw an instant where Intercontinental replaced Ms. Alfonso.

Mr. Khan: My information is that Intercontinental claimed they acted as an agent for Alfonso and Company Limited, which makes it even "curiouser and curiouser". Do you not agree?

Ms. C. Lewis: It does.

Mr. Khan: And then Intercontinental, acting as an agent for ND Alfonso and Company Limited, ended up winning the bid for a firm that was not invited to tender—winning the bid. And I have a letter where ND Alfonso and Company Limited wrote the port saying that Intercontinental is acting as an agent of ND Alfonso. If that, my dear lady, is not, at best, impropriety, I do not know what is. I say no more.

Mrs. Jennings-Smith: I will stay with the line of questioning to the port. This morning we started with the present tense; I will go back to the past and take up from where Mr. Khan left off. I want to find out, could you provide the names of the representatives on the Central Tenders Board who attended that tenders committee meeting?

Ms. C. Lewis: We can provide the name at a later stage. We do not have the name among the files.

Mrs. Jennings-Smith: I would also like you to provide us with whether that person attended all the meetings. And I want you to give me the names—the members of the tenders committee.

Ms. C. Lewis: The tenders committee, okay, we will have to provide that because the tenders committee would have been a subcommittee of the board of the Port Authority in 2014.

Mrs. Jennings-Smith: What was the bidding process adopted for the purchase of that vessel?

Ms. C. Lewis: It was a selective tender, so the bids went out to selective firms.

Mrs. Jennings-Smith: Can you provide minutes of the tenders committee meeting relevant to the acquisition of the *Super Fast Galicia*? I believe I asked for that yesterday.

Ms. C. Lewis: I do not think we have pulled that as yet, but we will provide it.

Mr. Smith: Mr. Chair, just one question added on to that. The contract with the *Super Fast Galicia* was signed, as Mr. Khan just said, for ICSL who were the agents for Ms. Alfonso and Company. But I want to find out who was the real owners of the vessel. You all know who were the real owners of the vessel?

Ms. C. Lewis: The records indicate it was Transmed.

Mrs. Jennings-Smith: So could you provide us now with the committee members for the *Ocean Flower*—the tenders committee members for the *Ocean Flower*?

Ms. C. Lewis: Those members were Commissioner Jaggernaut, Commissioner Primus and Commissioner Baptiste.

Mrs. Jennings-Smith: And could you also give me the name of the Central Tenders Board representative?

Ms. C. Lewis: We would have consulted with Ms. Khan.

Mrs. Jennings-Smith: Did he attend the meetings?

Ms. C. Lewis: Ms. Khan? No.

Mrs. Jennings-Smith: So he never attended any meetings with the committee.

Ms. C. Lewis: It is a female, Ms. Khan.

Mrs. Jennings-Smith: She never attended any of the meetings with that committee?

Ms. C. Lewis: No.

Mrs. Jennings-Smith: From the Central Tenders Board?

Ms. C. Lewis: No.

Mr. Paray: Thank you. Through you, Mr. Chairman, I would like to ask the following questions to Mr. Jaggernaut and Ms. Primus who are on the tenders committee for the vessels that were procured through Bridgemans. And yesterday at the end of our sitting I brought up the issue of the Dun & Bradstreet report

which Chairman Lewis answered very well in terms of what was the requirement in terms of seeing if the business had any legal issues, liens and so on. And my proposition was, that being so, any of the other data that you could have pulled from that report, in my view, it should have been relevant to the decision-making process in terms of rating the tender.

Now, in going through the documents last night I saw a table which has a heading: "The Rating System for evaluation of Tenders." This is a document supplied by the port, which I assume is from your committee, and it is broken into seven areas. Each has a particular rate: age, speed and efficiency, cargo capacity, vessel suitability, delivery and price. Section 7 is where I want to focus a couple questions to both of you all. In reading of the submissions, I am yet to see any data that would satisfy, to me, the requirement of section 7. And if I can read it:

Section 7 encompasses the vehicle owner/operator's financial status, companies profile industry experience capability and plan to execute the contract and quality systems operational plan.

Now there is some webpage printout in the file. Now I have read operational plans; I have read company profiles over the last 25 years and very few of them is snap and print from the Internet. But it asked specifically for the financial status of the owner/charterer, the company's profile and industry's experience, the approach and methods and plan to execute the contract and the quality management and system and operational plan, all giving you 10, 20, 30 points in that rating.

What documentation did you receive from Bridgemans that would have satisfied the tenders committee that that company should be awarded full points? What else besides the Dun & Bradstreet report that would have given information to satisfy these requirements? What are those documents? And if it is not in your package, can it be provided to this Committee?

Mr. Jaggernaut: Through the Chair, we will submit these documents at a further time.

Mr. Paray: Well any kind of time frame by which we might be able to get these documents?

Mr. Jaggernaut: Hopefully by the end of the week, through the Chair.

Mr. Paray: All right. Just one question before I move forward. This is to the Chairman. Ma'am, when you started your conversation today upon Sen. Mark's query, from what I heard, you said that the port, acting as agent for the Government, will receive an instruction from the Ministry to proceed with any action in terms of—a Note was approved by Cabinet; we will pay for vessels and we are informing you that this is happening. I assume you would have received that letter from the Ministry concerning the approval by Cabinet, of the *Cabo Star* and the *Ocean Flower*. At that point in time of receiving that letter, were you aware that the charter agreements were signed before Cabinet approved it?

Ms. A. Lewis: As far as I am aware, the Ministry had the necessary approvals to sign the charter party agreement. As I said, that charter party agreement is signed by the Ministry. It is not signed by the Port Authority. So the Ministry of Works and Transport would get the necessary approvals that it requires before they sign the charter party arrangement.

Mr. Paray: So you were not aware—and perhaps it may not have been relevant to you sitting in the port at that point in time because it is the Ministry's responsibility. But I just want to recall what you said yesterday, that that sequence is highly irregular in the running of those sorts of business in the Government sector, you having been a permanent secretary for many years. Is that a true assumption on my part?

Ms. A. Lewis: What I indicated is that normally Cabinet approval is sought before

execution. That is the normal procedure and I would imagine that the Ministry would have sought the necessary approvals that it required in order to sign the agreement.

Dr. Francis: Good morning again, everyone. Good morning, Madam Chair. I am of the view that the issues that have been discussed for the last few days, many of which have been disturbing, to say the least, point to a larger malaise that we cannot ignore. The role of this Joint Select Committee is to deal with the fundamental issues and to provide some kind of pathway to rectifying them. Yesterday I asked this question of the previous board and the response was very unsatisfactory, so I will ask you to see if a different answer ensues. What is the nature of the relationship between the port management and the board?

Ms. A. Lewis: Well, I have to say that during the four months, five months, that we have been a board, we have had to relate to the management quite frequently. I would say that there are fundamental weaknesses in the management which, you know, we try to point out and try to correct. There is no animosity per se, or, you know, fractiousness between the two, but we have made it abundantly clear to the management—and this is one of the things that the board, because of certain weaknesses that we have perceived, particularly in terms of the documentation and the management's ability to execute certain instructions, that we have made it abundantly clear that we are holding them accountable for carrying out the board's decision.

This board of commissioners is not an executive board and we do not—and I made it very clear to the management—we do not intend to act as executive commissioners, and therefore we will be holding them accountable for whatever actions that they have to carry out once decisions of the board are made. And we intend to hold them to that.

Dr. Francis: To keep it as simple as possible, would I be wrong to surmise that the board is not exactly satisfied with the current state of management? If so, are there any suggestions or recommendations that will be forthcoming from the board, if not just to the port but also made to Government?

Ms. A. Lewis: Yes, it is correct to say that during the time that we have been there we have had issues that we are not happy with. We recognize that the port has been left to languish for many years and the whole question of how it is structured and how it is organized, leaves a lot to be desired. As I said yesterday, we discovered that there were people and positions that were vacant for a long time, and in some instances you had one person doing two jobs or taking the responsibility for two positions, and that is not an ideal situation as far as we were concerned.

So we had already discussed the whole question of the port's reorganization and restructuring and, you know, as a matter of fact, we were given until the end of the year to come up not only with a strategic plan, a business plan, but also the way forward in terms of the organization itself, which we were to present to the Ministry so that it could be taken to Cabinet.

Dr. Francis: One final question, Madam Chair. Port cities around the world—and ports are major money spinners. Many of the premier cities in the world base their wealth simply on being port cities. Starting there, why is our port losing money? Now that could be an encyclopaedic answer, “eh”, which we do not have time for. Could I have the cliff notes, please?

Ms. A. Lewis: I think that essentially, as I said, the port is not properly structured to really be an efficient and a modern-day port. And you are correct. There are ports all over the world in countries that basically thrive on the business of the port. This is not so in our case. And you are correct, I mean, it will take the whole morning. But, essentially, I think the port itself has not really been—the attention

to the port has not been there and there are practices on the port that need to be modernized and some of them outright stamped out.

Dr. Francis: I will just add one more. If you could change two things almost immediately, what would you choose? I want to put you on the spot.

Ms. A. Lewis: Yes, you are putting me—

Dr. Francis: You are a very well-respected former public servant.

Ms. A. Lewis: Yes, you are putting me on the spot with respect to that, especially given my short tenure there.

Dr. Francis: You have a wealth of experience that I am sure has already come to bear on this situation.

Ms. A. Lewis: I would immediately, as I said, you know, and my commissioners, we all agree on this, that the whole business model at the port has to change and I think the other thing—and that basically encompasses most of what, or almost everything with respect to what needs to be changed on the port. And I think that maybe the governing legislation of the port needs to be looked at again to basically bring it into modern practice at this time.

Mr. Khan: Two quick interventions there on the same ND Alfonso and Company Limited matter before I proceed from it. Mr. Grant, you indicated that—somehow you give an impression that the firm of ND Alfonso and Company Limited was acting on behalf of the Ministry of Works and Transport and not the Port Authority, but there is an invoice that I have here dated 18th of July 2014 and it clearly states:

Client, Port Authority of Trinidad and Tobago in the account with ND Alfonso and Company Limited.

The invoice is a total of \$840,750. So to invoice an entity you must have been engaged in some formal way for the invoice to be processed through the accounts

department and paid and obviously subject to audit. So that is one issue I want to correct for the records.

And secondly, what is most alarming here is that part of this invoice that ND Alfonso is billing the Port Authority for includes conferences and negotiations with Mr. Powell of ICSL who, at the time, by letter, Alfonso had indicated that that company was working as an agent for Alfonso and Company Limited. You remember the case of the magistrate trying himself? This is untenable; it is double-dipping; it is everything that spells of poor procurement, and I do not want to go further than that, but it is inconsistent at a minimum. And I just want to go on the records as saying that. Ms. Alfonso and other parties related to this matter will be appearing later and I will have the opportunity to question them, but I just wanted to question the port's management on their side of the story. Because I have an invoice here that clearly states the client is the Port Authority of Trinidad and Tobago.

Mr. Mark: Mr. Chairman, having regard to the disclosure by the chairman yesterday that there was no charter party agreement executed for the *Atlantic Provider* and the *MV Transporter*, I would like to ask, Mr. Chairman, the chairman of the port, is it usual for the authority to enter into contracts and make payments in respect of vessels used by it without there being a written contract in place? I want to ask, further, how were payments made to these owners and operators of these vessels in the absence of a contract? And is this not a breach of standard payment protocols in the public sector which, as a former permanent secretary, you would be well familiar with? I would like you to provide this Committee with some clarification on this matter, please.

Ms. A. Lewis: As I said yesterday, my information was that there was no charter party agreement executed between the Ministry of Works and Transport and the

entities for the provider and the barge. What I was advised is that there was a letter of engagement that was executed between the ministry and the providers. The Port Authority does not enter into agreements for the contracting of vessels for the inter-island service.

The Act is very clear that the Government shipping service is a government entity and the port acts of the agent as directed by the owner, which is the Government and, therefore, once that is done, the port basically carries out—you know, ensures that the operations are there and that we carry out the engagement as directed. Insofar as payment is done, the port makes a request to the Ministry of Works and Transport for the payments that are to be made and the Ministry of Works and Transport provides the necessary funding that is required for the payment to the providers.

Mr. Mark: So this particular breach in terms of the absence of a contract is a matter that would fall squarely in the lap of the Ministry of Works and Transport and not the Port Authority according to what you have just indicated.

Ms. A. Lewis: Well, in effect, yes. The Ministry of Works and Transport has the responsibility for the engagement. They are the ones who sign the charter party or whatever contractual arrangement is required.

Mr. Mark: Do you have any idea at this time what it costs the taxpayers of this country to retain the services, given those irregular conditions, of both the *Atlantic Provider* and the *Trinity Transporter* along with the *MV Guardian* which is a tug, I understand, that had to accompany the *Trinity Transporter*? Do you have an idea as to what was the final total value in money terms, dollars and cents, for those two vessels, or three, including the tug during the period that they were engaged under, what I would like to describe as very dubious conditions in the absence of any contract? What was the final figure? Could you provide that to this Committee,

please?

Ms. A. Lewis: I would ask the deputy chair who was involved in the negotiation for those two to respond.

Mr. Mark: Thank you.

Mr. Beharry: Mr. Chairman, through you, the contract for the *Trinity Transporter* was negotiated at an agreed price of US \$8,000 per month on a month to month basis up to a period of three months—not exceeding three months. The original asking price for that vessel which is a Ro-Ro barge, tug and barge arrangement, the company asked for US \$12,000 per day. I negotiated that down to US \$8,000 without any mobilization cost because the vessel was immediately available in Trinidad and Tobago, so that there was no mobilization attached to bringing the vessel to Trinidad, as would occur with a foreign enterprise. In addition to which, we made it clear that there would be no associated or add-on charges for the provision of that service. So it was extremely well costed in terms of the economy of providing that vessel.

Of course the problem with the Ro-Ro barge is that it takes a longer transit time to get from Trinidad to Tobago at a slower service speed. I think the average transit time was in the vicinity of 11 hours, and—

Mr. Mark: Did you say US \$8,000 per month, or is it \$8,000 per day?

Mr. Beharry: Per day, sorry. US \$8,000 per day. Sorry. The second vessel, the *Atlantic Provider*, I also negotiated that contract down. The asking price was US \$14,500 per day. I brought it down to US \$14,000 per day. No mobilization fee, no additional or associated cost. Consequently, the vessel used towing services and other ancillary services, which they incurred at their own cost. If you compare that, for example, with the previous negotiated arrangement with the *Super Fast Galicia* in which the Port Authority incurred additional cost of tug and barge and barge

attendants and so on, including civil engineering works, steelworks and paving works, it was uneconomical for our purposes.

Secondly, a letter of award was prepared by the Permanent Secretary and issued to—and also draft contracts were prepared. So they may not have been executed by the Ministry but draft contracts were prepared, and you may direct those questions to Mr. Marvin Gonzales, the legal advisor at the Ministry of Works and Transport. Because I notice a number of questions are coming up here with respect to Cabinet Notes and Cabinet approvals and so on, which quite properly should be directed to the Ministry.

Mr. Mark: Could you give us the total value?

Mr. Beharry: The management will give you that figure.

Ms. C. Lewis: The total for the *Atlantic Provider* over the period 23rd April to 21st July, TT \$11.6 million. The total for the *Trinity Transporter* and the Tradewinds tug, over the period 23rd April to 16th July is TT \$6.3 million.

Mr. Mark: Thank you. May I also ask, Mr. Chairman, through the chairman of the port, who were the main negotiators for the *Cabo Star* and the *Ocean Flower 2*? And could you also indicate at the same time who are the members who constituted the management evaluation team for those two vessels?

Ms. A. Lewis: Mr. Beharry, who was part of the negotiating team would answer on behalf of the board.

Mr. Beharry: Just give me one second, Mr. Chairman, to pull up the information. Okay. The members of the board on the executive management present during the negotiations were: commissioner Ainsworth Mohammed, commissioner Dexter Jaggernaut, Charmaine Lewis, acting general manager/ chief executive officer, Leon Grant, chief executive officer, TTIT Nekisha Charles, legal advisor, Curtis James executive manager, finance, Ms. Marsha Charles-Elbourne, corporate

secretary and myself under the direction of the chairman.

Mr. Mark: That is the evaluation team?

Mr. Beharry: No, no. You asked about the negotiating team.

Mr. Mark: What about the management?

Mr. Beharry: I will pass that question on to the general manager, the executive management team.

Mr. Mark: And could you tell me who was the chairman of that negotiating team? No, no, no; your team that you were a member of.

Mr. Beharry: The chairman requested me to lead the negotiations under her direction.

Mr. Mark: So you were the lead negotiator for this—

Mr. Beharry: That is correct.

12.05 p.m.

Mr. Grant: Yes, if I may answer the question, Chair? The evaluation team comprised of myself as chair of the evaluation team, we had Mr. Curtis James. He was Executive Manager of Finance. We had the legal officer Nakeisha Charles. We had Jason Berkley an accountant; and Sieunarine Babwah who was the engineer.

Mr. De Freitas: Good morning again. I just want to sort of create a context going forward because we are hearing questions coming from different areas, and one of the things that happened yesterday when we were asking you the questions is that we got that holistic approach whereby we understood that the issues would have been maintenance which would have led us to this point, that is one, and that transition between foreign companies to local control dealing with the cargo

vessels and what not.

So what I want to find out now, going forward in the future is, are you tracking in regard to the operations of the *Cabo Star*, which is the cargo vessel, its efficiency managing the service now? Because I know that that vessel is only here for a year on a one-year contract and I think three months has gone already. So you have seven months left and I am also aware that recommendations would have been put forward to sort of procure our own vessel by way of a cargo vessel. I think that will be three years out. So I am really, really asking, given that you have a year, seven months left in the *Cabo Star*, has the process begun to make sure that it is either a transition or to keep that vessel so that the bridge itself maintains a certain standard, with the cargo vessel.

In keeping with the ferries themselves, as much as a process began to procure a vessel to alleviate the troubles on the sea bridge in terms of travelling passengers, would you, in your opinion, based on the board itself—because there are investigations going on—gotten feedback as to what would have gone awry in that process so much so that as you are going back out to tender now, what strategies are you putting in place to ensure that that does not happen, again to the benefit of the people of Tobago and of Trinidad and Tobago? So that is two questions. And, what I am really asking is: what assurances can you really give going forward for both the cargo vessels and the ferries that we can get this right this time around?

Ms. A. Lewis: Okay. Let me deal with a couple of the questions and Mr. Beharry will deal with the plan going forward. I just want to say that whilst there has been a lot of discussion and talk with respect to what has gone awry, et cetera, et cetera,. I like to put things in context in terms of what we met and in terms what we had to deal with, and whilst one would say that things have gone awry I believe that, to a

large extent, the whole question of the emergency provisions that had to be employed and the time frame within which we had to do things, we would have preferred to have more time. But we did not have that luxury, and therefore, a number of things had to be done in short order.

I think that overall there would have been other things that we would have liked to do which we could not do during the process and the time frame within which we had to do things was very a tight time frame. In terms of going forward, I think that on the cargo vessel we get daily reports, the management gets daily reports from the operators of the *Cabo Star*. There are issues that we have been able to address coming out from some of the complaints that we have had and we have addressed those. We have brought it to the attention of the operators of the vessel that they needed to do certain things and those things have been done at their cost. As I said, it is charter arrangement. They have to provide the service, and therefore, the responsibility is theirs. What we have been doing is tracking and trying to sort of get the management, as you say, to “close-mark” them so that things do not get out of hand and that if there is something that needs to be rectified it is done.

So we have been doing that, we have gone out to tender on the fast ferries for a replacement for a period. The Government has taken a decision also on the cargo vessel that they would be looking for a new cargo vessel which would take, we believe, approximately three years to build and in the interim we have looked at the specifications that we have had, we have revised them, we have sent them to the Ministry of Works and Transport to get approval so that we can get something that would bridge that gap until a new built vessel is had once the Government takes that decision.

Again as I say, it is a question of the decisions that the Government would

make vis-à-vis what it intends to do in terms of the policy on the sea bridge, but we have made certain recommendations with respect to that.

Mr. De Freitas: From what I have heard regarding the ferries themselves and the urgency and that you would have liked a little more time to be able to operate in terms of procuring another vessel, does the urgency still not exist? Therefore, given that it still does, how would you address it this time around going forward? Again, remember there are individuals who are looking on to whom this is important because the rationale of this very enquiry speaks to the impact of the sea bridge and the business and tourist activity in Tobago, as well as a significant inter-dependencies between the two islands. So there must be some kind of assurance that going forward, given that the urgency still exists to a certain extent, that this time around we are going to get it right.

Ms. A. Lewis: I just want to make a comment on that. We have already gone out based on a decision of the Cabinet, we have a tendering process which is due to close as I said yesterday on the 28th of this month, and we expect based on the responses that we have so far that there is quite a bit of interest. So we will be going through the exercise and the process of doing the evaluations, et cetera. We have asked for a multidisciplinary team comprising persons not just of the port but also the Ministry of Works and Transport in the various divisions to comprise that evaluation team. So that we would get the best possible experience, knowledge to bring to bear on that evaluation exercise as we go forward.

Mrs. Jennings-Smith: Ms. Chair, I want to go back to the maintenance. When the *Super Fast Galicia* contract in May 2014 was agreed upon, it was known that there were adjustments to be made to the infrastructure at Queen's Wharf in order to allow the vessels to properly berth. Why was this work not done up to 2015 but the contract for that vessel was renewed twice? I am asking that question to Mr. Leon

Grant and the port.

Mr. Grant: Through Chair, I know that the Port Authority would have made representation to the Ministry to have those works executed or provide the funding for the execution for those works. The funding was not made available to the port.

Mrs. Jennings-Smith: I want to ask a direct question. Was there any damage reported by UDeCOTT to Hyatt as a result of this vessel berthing at the Hyatt to your knowledge?

Mr. Grant: Yes, the port is in receipt of a letter from UDeCOTT concerning that and the Port Authority would have engaged the services of an engineering firm to have a look at it and to determine whether any damage was done or not.

Mrs. Jennings-Smith: Yesterday we heard from a submission from the former board where he said that there was clearance in that no damage was done. Can you agree with what was said yesterday?

Ms. Lewis: Yes, I can. We engaged a firm to dive to check the integrity of the seabed and the report emerging from that exercise indicated that the seawall was intact and there was no compromise to the seawall.

Mrs. Jennings-Smith: Last question. On inspection of the *Super Fast Galicia* by Mr. Leon Grant, Mr. Chairman, from information we have received here in your submissions, the report noted five weaknesses affecting the vessel. In light of those weaknesses what would have been the basis for recommending that vessel?

Mr. Grant: Based on the report that was submitted by myself – when we got back from Gibraltar we submitted the report to the board. The board in turn would have liaised with the Ministry. The Ministry would have asked me to prepare a plan as to how we could address the concerns raised in the report and whether or not done anything could be done to allow the vessel to berth. I would have written to the board, then, to indicate to them what sort of actions could be taken to facilitate the

berthing of the *Super Fast Galicia*. After that was submitted, the board then agreed that we would execute those works and that is the basis on which the *Super Fast Galicia* would have come to Trinidad.

Mrs. Jennings-Smith: Can you outline the five weaknesses that you recognized?

Mr. Grant: I do not have the document in front of me. What I could recall, if I may, is that normally when a cargo vessel is here or a conventional-type ferry, normally we have a jetty that would normally facilitate the berthing of a vessel like that, and what had happened is that we do not have the depth of water at the ferry terminal where it is normally berthed, and therefore, it could not berth in its usual place so it had to berth down at Queen's Wharf and to do that we would have had to do some reconfiguration to the berth of the quay wall to allow it to berth in Port of Spain. So it was one of the recommendations that would have been made with respect to that.

When we did the analysis further we did indicate that we would have to have a barge in order to facilitate the berthing because we did communicate with the pilots association and different stakeholders to see whether the vessel could have come in to berth stern-to, that was difficult from all the tests that we did and the captain was not very comfortable doing that. Therefore, it would have been in the way of the channel and it may have created some accidents. So therefore, it was decided that we would berth alongside with the use of a barge.

Mrs. Jennings-Smith: So that I am hearing two different answers. I am hearing on the same question a different response from Ms. Lewis, Mr. Chairman, and I am hearing a different response from Mr. Grant relative to the berthing arrangement with that *Super Fast Galicia*. Whom am I to ask this question to for verification? Should I maybe call in an expert to tell us what is really the situation? Because I asked the both of you the same question and I got a different answer to the Hyatt

question. Basically you indirectly answered that there is a problem with the berthing and Ms. Lewis answered in the positive that it was no problem with the berthing.

Mr. Grant: If I may add to that? The issue of the Hyatt came up when the *Super Fast Galicia* is departing the berth on an afternoon. When it was departing the berth on an afternoon there were some occasions that Hyatt complained that they had a rumbling sound and they were basing it on when the *Super Fast Galicia* is leaving the berth. I know we had a couple meetings with the Hyatt, listening to their concerns, and we would have engaged with the captain of the *Super Fast Galicia* indicating to him that, listen, when you are leaving the berth there is a problem with the Hyatt. They complained about the fact that the whole hotel itself or some parts of the hotel was shaking. When that came up the captain did some alternative manoeuvrings and that would have been alleviated.

The question you asked initially about the Hyatt and in terms of if there were any—what we did as I said is that I know that we engaged someone to do some diving and to check to see exactly what was taking place with the Hyatt, and to this date we have not had any confirmation that any damage was caused to it.

Mrs. Jennings-Smith: So apart from the berthing, what are the other four recommendations that you made on that occasion for entering into the contract for the *Super Fast Galicia*? What were the other four issues?

Mr. Grant: What we had to do is we had to reconfigure the barge in that we had to build a ramp to allow trucks and vehicles to go on to the barge and then go on to the *Super Fast Galicia*. So the *Galicia* would have been berthing alongside, putting down its ramp and then we had to have a ramp from shore to the barge in order to allow for the smooth movement of vehicles in and out onto the vessel.

And then we had to do some reconfiguration with respect to the ISPS

requirements with respect to security because, you know, we cannot have local cargo moving through international space with international cargo. So we had to do some reconfiguration in terms of fencing and demarcation to ensure that there is no mix between local cargo and international cargo. So there were some infrastructure works done on the shore side. We also had to have—with the barge came a dedicated crew that would work on the barge to ensure the safety of the operations and we also had to add additional labour with respect to the barge.

Mrs. Jennings-Smith: So that would have been quite a substantial sum to enter into an agreement to the purchase of a vessel. And, I want to bring you to present tense now. So I understand that you were one of the persons selected to go to Gibraltar to look at the vessel that we now speak about—is it Gibraltar? Yes—you along with an independent evaluator. So can we say it was really out of place that an evaluator would indicate certain weaknesses to be addressed before a Government entered into a contract for a particular vessel?

Mr. Grant: Repeat the question again?

Mrs. Jennings-Smith: From what I read in your submissions you, along with an independent evaluator, travelled abroad along with a team of persons to look at this vessel that we have recently, maybe would have acquired. Is that true?

Mr. Grant: No, there was no plan to acquire the *Super Fast Galicia*.

Mrs. Jennings-Smith: No. I am in present tense now. I am in present tense with the two vessels that were recently dealt with.

Mr. Grant: Oh, the *Ocean Flower 2*.

Mrs. Jennings-Smith: So you along with an independent evaluator left Trinidad to go and look at those vessels, and from what I read you made certain observations about a vessel, is that normal or abnormal that you would do that and it would be fixed, or something will happen before that vessel sails to this country?

Mr. Grant: Let me just make a slight correction. I did go and accompanied by the chief engineer who is an employee of the Port Authority. He is on *Spirit* or the *Express* right now as we speak. So both of us did go to Panama to look at the *Ocean Flower 2* and in visiting Panama we would have done sea trials with the *Ocean Flower 2*. It was at the sea trials that we made certain observations and those observations were communicated to the Port Board.

Mrs. Jennings-Smith: Can tell me what is the procedure when these things happen?

Mr. Grant: First of all—

Mrs. Jennings-Smith: And I want relate you back to the *Super Fast Galicia* issue and how we contracted the *Super Fast Galicia* with problems; and we are going to present tense with what was observed and the issues recognized.

Mr. Grant: With the *Ocean Flower 2* we made the observations and those observations were documented and there was a long list of observations, a long list of issues that required—it was more of an engineering or technical aspect to the vessel. We did our reports indicating what we observed and our concerns with respect to the *Ocean Flower 2*.

With respect to the *Super Fast Galicia*, the ship itself, we did not have an issue with the ship itself, with the *Super Fast Galicia*. The technical aspect of the vessel was not in question. The issue was the berthing arrangements with respect to the vessel when it comes to Port of Spain, and at least—so those issues—I was asked to make some recommendations as to how we could address the shore side issues and it is in that context that those suggestions were made and they were corrected or addressed so that the *Super Fast Galicia* could have berthed.

Mr. Chairman: As we come to a close for this morning session of the second public hearing of the Committee, pursuant to the Committee's enquiry into the

Trinidad and Tobago inter-island ferry service with specific focus on the procurement and management of the ferries, I just wish remind our viewers that our objectives are to understand the current state of the ferry service in Trinidad and Tobago; to examine the policies and procedures used to acquire ferries and to ensure that value for money is obtained; to determine whether due diligence govern the conduct of all aspects of the maintenance and management of the provisions of the sea bridge service; and finally to determine the changes and challenges with respect to the maintenance of the ferries.

So there are just two questions I would like to raise before we suspend for lunch. And the first of that is: with regard to the issue of mites and other forms of infestation, I wanted some clarity from the chairman as to who exercises health jurisdiction over the port? Is it port health, is it from Ministry of Health, or is it the health inspectorate of Port of Spain City Corporation?

Ms. A. Lewis: It is the port health and safety who has the jurisdiction.

Mr. Chairman: So that the Ministry of Health inspectorate are the ones who visit your compound?

Ms. A. Lewis: Yes.

Mr. Chairman: And you have had legal—because I know there used to be a bit of a conflict between Port of Spain City Corporation's Health Department and the Ministry of Health over who should be exercising jurisdiction. So that matter has been resolved as far as you are aware?

Ms. A. Lewis: As far as I am aware. As far as I am aware there is no issue.

Mr. Chairman: The other question relates to certification and sharing the licensing of vessels that come into your jurisdiction. Who handles that; who is the authority? Is it the Director of Maritime Services at Ministry of Works?

Ms. A. Lewis: Yes, the Ministry of Works and Transport. The Maritime Services

Division of the Ministry of Works and Transport.

Mr. Chairman: Okay. And you are satisfied that with regard to the vessels we have been scrutinizing that, you know, form part of the charter party agreements and so on, that they have met all the requirements of these licensing and certification arrangements?

Ms. A. Lewis: As far as I am aware they will not be given certification to operate if they do not meet the requirements of the Maritime Services Division.

Mr. Chairman: And it is part of your normal procedure—

Ms. A. Lewis: It is part of the procedure.

Mr. Chairman:—to insist and seeing things like insurances and so on?

Ms. A. Lewis: Yes, they are all part of the arrangement.

Mr. Chairman: And in that regard what has your relationship with the Transport Board been?

Ms. A. Lewis: The Ministry of Works and Transport.

Mr. Chairman: So you all have interacted directly with the Transport Board?

Ms. A. Lewis: No, we are talking about maritime transport, not road transport.

Mr. Chairman: I am talking about the Transport Board of Trinidad and Tobago. Have you had interactions with them?

Ms. A. Lewis: No.

Mr. Chairman: Okay. Are there any closing remarks you care to make?

Ms. A. Lewis: I would just like to thank the Committee for the opportunity for us to air our positions on a number of these issues that have arisen, and I want to assure persons that this board, we will do everything that is in our power and within the authorities that we have in order to try to make the Port Authority an efficient and productive port for Trinidad and Tobago.

Mr. Chairman: I want to thank you for your assistance in our deliberations and to

remind you that the Committee reserves right to recall you if there is any other information coming before us that may conflict with what you have brought to our attention.

Again, I thank you and this meeting is suspended until 1.05 p.m. Thank you.

12.32 p.m.: *Meeting suspended.*

1.15 p.m.: *Meeting resumed.*

Mr. Chairman: Good afternoon and welcome to the Permanent Secretary and her staff of the Ministry of Works and Transport. As you are aware this Second Meeting of the Committee in its enquiry into the sea bridge service between Trinidad and Tobago. I would just like to remind our viewers of the objectives of the enquiry:

- to understand the current state of the ferry service in Trinidad and Tobago;
- to examine the policies and procedures used to acquire ferries and to ensure that value for money is obtained;
- to determine whether due diligence governed the conduct of all aspects of the maintenance and management of the provisions of the sea bridge service;
- to determine the changes and challenges with respect to the maintenance of ferries.

I would also take this opportunity to introduce to the Committee. I am the chairman of this Joint Select Committee, Stephen Creese and I would invite the members of the Committee starting from my left.

[Members of the Committee introduce themselves]

Mr. Chairman: I will now ask the Permanent Secretary to introduce herself and her staff.

[Officials introduce themselves]

Mr. Chairman: I thank you. I will now invite the PS to make some brief opening remarks.

Mrs. Francis-Yearwood: Thank you. Mr. Chairman, members of your Committee, as acting Permanent Secretary I wish to express my sincere thanks on behalf of the Ministry of Works and Transport for allowing us this opportunity to participate in these proceedings. It is my hope that our contributions will assist the working and undertaking of your Committee so that together we can pursue strategies and implement solutions for an efficient inter-island sea transportation service for the benefit of the citizens of Trinidad and Tobago.

The Ministry is acutely aware of the critical role of the inter-island ferry service for the economic, social and cultural viability of our twin island Republic, and we welcome any opportunity or exercise that will result in its overall improvement and efficiency. The operation of the Government shipping service between Trinidad and Tobago is entrusted to the Port Authority of Trinidad and Tobago which was established under section 3(1), of the Port Authority Act, Chap. 51.

Within that Act there are defined functions and powers under section 8 and 9. The authority is governed by a Board of Commissioners who, in accordance with section 17 of the Act, shall appoint such officers and employees as may be necessary and proper for the due and efficient administration, management and performance of the authority, of its duties under the Act.

Mr. Chairman, whilst section 15(1) of the Act empowers the President to give the authority from time to time, directions of a special or general character on matters that appear to affect the public interest, the Ministry regards its role and function in the exercise of this mandate as being the exercise of such general

oversight as may be required in the public interest without prejudice, the statutory powers and responsibilities of the authority.

In this context, the Ministry looks forward to working with your Committee and contributing to the ensuing deliberations. The Ministry commits to implementing any recommendations that will improve the operational efficiency of the inter-island ferry service for all our citizens. We would like to assure you and your Committee that our sole purpose in participating in these proceedings is to truthfully answer all questions posed, and if in any event we are unable to respond to any question, we will endeavour to provide such responses or information thereafter within the shortest time possible so that the objectives of your Committee will be attained in the furtherance of the interest of the people of Trinidad and Tobago.

Mr. Chairman: All right. The question period will begin.

Mr. Smith: Thank you, Chairman. Again, welcome to the Ministry. I will start off one time. Was the signing of the contract with the *Ocean Flower 2* and *Cabo Star* done before it was actually approved by the Cabinet?

Mrs. Francis-Yearwood: Thank you for that question, member. Before I go into the explanation part of it, I want to start by saying, categorically, that the signing of the contract was not done without the approval of Cabinet, without all the necessary approvals required. The issue of the engagement of a cargo vessel and a passenger vessel was identified as a critical item to be undertaken. We had gone through a period where we had been seeking—both the Port and the Ministry—to ensure that we had reliable service on the inter-island ferry system.

Previously, we had gone to Cabinet with requests to engage a cargo vessel and on those occasions, because of the timing of how it was done, the vessel became unavailable. In this instance, the Ministry, on the morning of the 16th, was

brought the results from the port of evaluation proceedings to engage a vessel, and we identified that timing was critical. It is the practice within the government service that when there is requirement for an urgent approval before the normal sitting of Cabinet that you go through the process of—and in this instance, this is what we did. We submitted the documentation to the Office of the Attorney General and we got sign-off from the Office of the Attorney General.

We also sought independent legal counsel and we got a sign-off in terms of that opinion, and then we submitted those documentations to the hon. Prime Minister and we got approval. We then subsequently, at the first sitting of Cabinet, submitted those documentation for ratification and in doing that, the Ministry undertook the practice which is set forward for approval.

So I want to end my response in the way I began my response, in that the Ministry sought and obtained all the necessary approvals required for the signing of the charter party agreement.

Mr. Mark: May I? Could you—well first of all let me welcome all of the officials. Since you have advised that you had all the approvals of the Cabinet prior to the signing of the charter party agreements, what you have provided to us thus far does not square off with what you submitted. So the only way that this Committee could be properly apprised of reality is for you as Permanent Secretary to provide this Committee with the sign-off of the Attorney General, the sign-off of the Prime Minister; you have to give us the sign-off of the independent legal counsel, you have to provide this Committee with the Cabinet Notes so that we can be fully apprised in our own minds that procedures were properly followed.

The reason I am saying this, Mr. Chairman, what we have in our bundle would be the two charter party agreements dated the 17th of June, 2017. What we also have from the Ministry of Works and Transport is a document stating that the

Cabo Star was approved by the Cabinet Minute 1100 dated June 22nd, —that is the Minute—and the Note dated June 20th, 2017. That is for the *Cabo Star*. As it relates to the *Ocean Flower 2*, a revised dated Cabinet Note, June 30th, 2017, and a Cabinet Minute No. 1197 dated July 2nd, 2017. These are the facts that we have before us. You have now updated us with additional information and you said, and I just want to remind you, independent counsel signed off, give us the name of that independent counsel please, the Attorney General signed off, the Prime Minister signed off, and then the Notes were ratified.

I believe that this Committee, for us to arrive a reasonable conclusion would require copies of all those documents. In addition, I would like you to provide us with some clarity as it concerns the failure of the Ministry of Works and Transport to execute party charter agreements for the *Atlantic Provider*, the *MV Trinity Transporter* and the *MV Guardian*. Why did the Ministry not execute those contracts even though we were told before you arrived here they were prepared and they were sent to the Ministry? The Ministry failed to execute those contracts. Instead, what the Ministry did was to provide ordinary letters to these bodies which is really contrary to normal practice.

So, Mr. Chairman, if the distinguished Permanent Secretary could provide clarity on these matters, and provide us with the proof. This is not about old talk here. This is about proof. We want evidence of what you have said so that we can square off with the truth. Thank you.

Mrs. Francis-Yearwood: Thank you, member Mark. I see we both have the same purpose in mind in terms of dealing with the truth, and in terms of providing as requested. The documents in your package are based on what was requested of the Ministry. The Ministry has now been asked for further documentation and we would be more than willing and happy to provide it to you in the shortest possible

time. As requested, we would provide.

The second question, if I am hearing you correctly, deals with the *Trinity Transporter* and the *Atlantic Provider* and the letters of engagement and the issue of the charter party agreements. I will let our Director of Legal address those in a bit more detail. However, just to state that in our records we do have the copies of the letters of engagement which we can also provide to you, signed by the Port Authority to the providers.

Mr. Gonzales: Thank you very much. I think I just need to clarify the normal process where these matters are concerned. The Port Authority under their governing legislation has the power and the responsibility to enter into contracts insofar as the government shipping service is concerned.

Where these matters are concerned, over a period of time the Port Authority and the Ministry engage in a practice whereby the port and its officials would engage in negotiations with providers. Upon the completion of these negotiations, the relevant documentation would be passed, including draft contracts prepared by the port and their private consultants if in any particular event they do have one. They will be passed to the Ministry and the Ministry in collaboration with the Office of the Attorney General would vet these contracts before execution.

As the Permanent Secretary indicated a short while ago, these letters of engagements were signed by the port. What normally would happen is that the port, after dispatching these letters of engagement, would prepare the necessary documentation including draft contracts to the Ministry for vetting in collaboration with the Attorney General's Office, and I can say that to date we have not received draft contracts from the port. We have received copies of the letters of engagement that they signed, but they have not submitted to the Ministry draft contracts for our perusal and vetting, and that is the fact.

Mr. Mark: Yes to follow up, one point. You just indicated to us that the Port Authority under its Act has the authority to sign off on contracts? Did I get you clearly?

Mr. Gonzales: That is correct.

Mr. Mark: Good. So what is the role of the Ministry in directing via letter the Port Authority management to proceed in signing off on matters? For example, the entire contract involving the *Ocean Flower 2* as an example, are you aware that your Ministry issued a letter to the management of the Port instructing them to proceed with this signing of the contract? Or was that supposed to be a decision taken solely by the Port Authority, or would the Ministry have a role in this thing? I am just trying to clarify in my mind what the procedure involved is.

Mr. Gonzales: I really want to answer the question, but I think I am not clear as to what is exactly you are asking.

Mr. Mark: All right, let me just rephrase it for you or recast it. Did the Ministry at any point in time instruct the port management via a letter to proceed to sign the contract for the *Ocean Flower 2*?

Mr. Gonzales: I am not aware of that.

Mr. Mark: Are you aware that the Minister signed off a letter to that effect?

Mr. Gonzales: I am not aware of that.

Mr. Mark: You are not aware of that?

Mr. Gonzales: No.

Mr. Mark: Okay. Well we will bring that to your attention properly speaking. Now, the other question I wanted to ask, Mr. Chairman, if you allow me. The old board demitted office on March the 5th. The new board come into being on the 11th of April. Thirty six days passed between the 5th of March and the 11th of April, or just about there. Could you tell us, Madam Permanent Secretary, what decisions

would have been taken by the Ministry during that period that would have been passed on to the port to effect in terms of measures dealing with the operations of the port? Can you provide us in writing and could you give us a summary of those decisions now as to what decision may have been transacted in the absence of a board during that crucial period of March 05, 2017 and April 11, 2017 when the board was appointed, or commissioners were appointed. If you could give us a summary and then in writing those decisions.

Mrs. Francis-Yearwood: Member Mark, I would have to give it to you in writing. Not being in the chair during that period, it would be somewhat difficult of me to give you a summary off the cuff and I would not want to try to do so and to miss something. So we will provide you in writing all the decisions taken during that time, if there were any.

Mr. Mark: And I think I will give you a time to rest and recover, but I will come to my final question now. When did the Bridgemans Services Group contact your Ministry as it relates to identifying through correspondence their expression of interest in tendering for the vessels that we were trying to acquire for the sea bridge? When was the first contact made—Bridgemans Services Group—and who did they contact, who did they write to, Permanent Secretary, the Ministry, the Director of Legal Services? Who did they write to and can you make a copy of the correspondence available?

Mrs. Francis-Yearwood: To my knowledge, they would have written to the Permanent Secretary. We can make a copy of that document available to you.

Mr. Mark: And do you know if they wrote you first—when I say you, not you per se, but the Permanent Secretary's office before they wrote to the Port Authority? In other words, do you have any information that their first contact would have been the Ministry of Works and Transport and not the Port Authority, or was it

simultaneously done, as they wrote you, they wrote them. Could you clear for us what would have happened?

Mrs. Francis-Yearwood: We have no knowledge as to whether or not they wrote us first and then port, or the port and then ourselves. We can provide you with the documentation which will have the date and which we can then correlate with what the port has.

Mr. Mark: Can you remember the date on that letter?

Mrs. Francis-Yearwood: As you indicated previously, a little while ago, seeing it was not me per se, offhand I would not be able to remember the date, but we will provide you with the letter. It will have the date on it.

Mr. Mark: Mr. Chairman, I will pause for the time being and somebody else can—

Mr. Chairman: Let me use this opportunity to thank Mr. Bassant for making himself available, but I am afraid with your two o'clock flight we will not be able to accommodate you. We hope after the session in Tobago tomorrow to resume around the 18th of this month. So we will make every effort to accommodate you on the 18th, but today is definitely not possible with your two o'clock departure time. So I thank you for your efforts to assist us. In the meantime you are free to make a written submission if you care to, sir. We resume with questions from members.

Dr. Francis: Good afternoon, Madam PS, good afternoon every one. Just a very simple question. The public is watching and they are not always apprised of all details. Just very simple, could you outline the relationship between the Ministry, the Port Authority and the management please, just for the public's information.

Mrs. Francis-Yearwood: Thank you, Dr. Francis. The Port Authority, as with a number of authorities in Trinidad and Tobago, would have been established in

order to ensure that there were subject matter experts in specific areas to directly address the requirements of a sector. So the port sector is a specialized area. It is governed by a number of national and international requirements. The Act, as I have been advised, provides for the Board of the Authority—well first the management of the Authority to undertake the day-to-day operations—and the Board of the Authority to provide policy and general directives as given to the board by the executive. In that context, a Ministry headed by a Minister provides policy directives to the board and as indicated in the statement, any overall general directives. The Ministry through the Permanent Secretary may liaise from time to time with the General Manager of the Authority in order to provide assistance in terms of approvals or the issue. Where there is a subvention required in particular to ensure that the proper steps are taken in respect of necessary funding.

So, in a nutshell, at the level of the Permanent Secretary, the Permanent Secretary may interface with the General Manager or the CEO of the Authority, but not in terms of the day-to-day operations of the Authority, and the hon. Minister will interface with the Chairman of the Board specifically as it deals with policy and any general directives that may be required.

Dr. Francis: Okay. Thank you. Yesterday we observed in high definition that even in officialdom when relationships break down things can go awry. What is the nature of the relationship? Does it function the way it ought to function? Are you satisfied that it is functioning the way it ought to function?

Mrs. Francis-Yearwood: As you can see from my general disposition, I am mulling on that question.

Dr. Francis: That is why I asked it, to make you mull.

Mrs. Francis-Yearwood: To make me mull? Because the issue of the way in which it is supposed to function. In a perfect environment it would function, but

we do not always have a perfect environment and as time proceeds the systems developed through the Act, they are tested.

At this time I would say that the Ministry is seeking to define and redefine the way in which it interacts with the port, giving the different situations that are occurring. So we seek to operate through the Act and we are also seeking to operate through the general guidelines provided by public service system.

1.45 p.m.

Mrs. Francis-Yearwood: And my director, legal, is whispering in my ear, as I was going to state, the *State Enterprises Performance Monitoring Manual*.

Dr. Francis: A tremendously diplomatic answer. So I will ask you something quantitative.

Mrs. Francis-Yearwood: I was going to continue but I will stop here if you would like and you continue.

Dr. Francis: Are you satisfied with the relationship?

Mrs. Francis-Yearwood: Between the Ministry and the port?

Dr. Francis: Now I am asking that in the context that I think we should take 100 days and mull over every letter and every correspondence and every detail and rile ourselves up doing that. But at the end of the day, this will only be fundamentally useful if we look at the organizational issues, the structural issues, the operational issues.

At the end of the day, this ought to accomplish something besides us expending a lot of tongue-time talking. So I think we deal with the fundamental issues as in looking at the causes, not just the symptoms of the circumstances and we had a looking glass into it yesterday. So are you satisfied with how this relationship operates? Because I am suggesting you are not going to say yes, you might not say no. But if you are not satisfied, why not? And what, if any measures,

does the Ministry intend to implement to ensure a greater degree of satisfaction?

Mrs. Francis-Yearwood: As you became more specific, I will try to be more specific. There is work to be done in terms of the relationship between the authority and the Ministry at both levels that I described previously. The Ministry has recognized this for a while and we are seeking, as with some of the other authorities, to put measures in place, according to the state monitoring manual, of a reporting nature that will not stymie the ability of the authority to operate but at the same time increase the reporting and the monitoring functions of the authority to the Ministry on a wider basis.

The Hon. Minister has sought to put in place a committee to really review some of the operations which will give us feedback in terms of exactly how we implement. But from the measures that we have now, we are really looking to have those systems within the state monitoring manual more directly placed to the Port Authority.

Dr. Francis: Madam PS, my final question, well, for now. Our procurement legislation is being transformed where the old status quo is going to give way and where public officers might now well find themselves personally liable for their misbehaviour with the State's resources. That is the context. The question is from the Ministry's perspective, was there anything untoward in the acquisition of these two now very infamous vessels, from your perspective?

Mrs. Francis-Yearwood: Well I was going to start by saying—

Dr. Francis: Okay, let me qualify. Internal to your Ministry.

Mrs. Francis-Yearwood: Thank you so much.

Dr. Francis: I could be helpful every now and then.

Mrs. Francis-Yearwood: Because I was going to start by saying that the letter I received, when I started this acting position, told me that I am pecuniary liable, as

it is, so I believe all PSs take those things seriously and to heart when it comes to the issue of procurement.

I can say that from all that I have seen, the Ministry took all the necessary steps to be assured, one, that from the port side, that what was provided indicated that they followed the necessary steps and from the Ministry's side to take the steps required from a procurement level.

Dr. Francis: I will stand down, thank you.

Mrs. Francis-Yearwood: Thank you.

Mr. Paray: Thank you very much, Mr. Chairman. Madam Permanent Secretary, thank you again and welcome. I have a couple of questions, I will try to be brief with each one of them and you can make your answers as brief as possible so we can get through as much of them as quickly as possible. In your own personal view, are you happy or contented with the state of our sea bridge at this point in time?

Mrs. Francis-Yearwood: You would like me to answer individually?

Mr. Paray: Yes. Go ahead.

Mrs. Francis-Yearwood: I am a citizen of Trinidad and Tobago. I have tried to take my family to Tobago on many occasions and since you are asking for my personal view, I take it, improvements can be made.

Mr. Paray: Thank you. I have two documents in my hand here which are the BIMCO Ropaxtime agreement which is the charter agreements for the two vessels. Can you tell me if you are the person who signed this document on the 17th of the 6th, 2017? I cannot make out the signature well.

Mrs. Francis-Yearwood: I was going to ask which vessel but then the date told me which vessels. No, I am not the person who signed the document on the 17th of the—

Mr. Paray: Have you seen those documents that were signed on that date?

Mrs. Francis-Yearwood: I have had general sight of it, yes.

Mr. Paray: Can you identify whose signature is on the document?

Mrs. Francis-Yearwood: Yes, I can.

Mr. Paray: Can you please let us know who it is?

Mrs. Francis-Yearwood: It is the acting Deputy Permanent Secretary, Ms. Ramdath.

Mr. Paray: Okay, Ms. Ramdath. All right. In signing these documents, you informed this Committee that on the 16th of June, the evaluation was handed to the Ministry and because of urgency and necessity, things had to speed up to fix this critical issue that is affecting Trinidad and Tobago and on the 17th, this document was signed. Now, the PATT which was here before you, unfortunately we did not have a lot of time to pursue some questioning, but I had serious concerns with the tender documents and the evaluation. And I have had these documents for three days and I picked up on a number of inconsistencies in my mind and perhaps, the minds of many other laymen outside there.

And with the understanding that these two documents that were signed were committing the taxpayer to US \$50,000 a day, the question I want to ask is: can the Ministry determine that the evaluation is in the best interest of the taxpayers? This document that I espoused would have been handed in an envelope to the Ministry. Within 24 hours, somebody signed off US \$50,000 of taxpayers' money and we all know where the *Ocean Flower* is right now.

So the question is, one, is it reasonable to take such an action in 24 hours? And I understand it goes to the AG and independent people to review and so on in 24 hours which is amazing in terms of delivery, the public service in Trinidad and Tobago, which I commend actually.

Mrs. Francis-Yearwood: I was waiting for that.

Mr. Paray: And two, if in your review of that document, you saw inconsistencies, do you, as a Ministry, have the power to say, hold up, stop, we need to look at this thing, again? I will allow you to answer both questions.

Mrs. Francis-Yearwood: Let me start with what I believe I heard to be the first question. A tender process would have been undertaken based on the original approval from Cabinet because we would have gone to Cabinet, indicated that we have a situation on the ferry service. We would have spoken to the need to implement short, medium and long-term measures. We would have spoken to the general requirements for the vessel in terms of the specifications. Those things would have been done before.

The Port Authority would have undertaken the tender process, based, we believe, on their tender rules and regulations. This would have then gone to the board of the Port Authority who would have reviewed the evaluation and who would have then signed off via a board resolution and, I imagine as well, their legal counsel would have looked at it and they would have signed off on it and then it would have been brought to the Ministry. So there were certain steps and checks and balances undertaken through the process before it reaches to the Ministry.

At the point, when it reached to the Ministry and yes, it came as an urgent request. Of course, at that point in time the Ministry has the option to take the documentation, to do as you may have suggested, put it in an envelope and send it through our mail system to the Attorney General's office and wait until it gets reviewed, call at a certain point in time and ask, has it reached, have you received the document, has it reached your desk. So those things could have been done but they were not done.

What was done was that when it reached the Ministry, after the different

checks and balances were taken, the Ministry, I want to say, moved heaven and earth—I was not there that day though so I did not hold it up like that. But what the Ministry did to my knowledge is that the Ministry took all the steps that could conceivably be taken to ensure that what was submitted to it by the port was a sound document and that entails getting the authorization from the Attorney General's office, getting independent counsel review and then getting the sign off from the highest point—

Mr. Paray: So what you are saying is that those aspects in terms of getting the permission from the AG's office and so on was well within your control but you took the evaluation from the Port Authority without question?

Mrs. Francis-Yearwood: If we had taken, without question, we would have signed it on the morning of the 16th when it reached by us, but that is not what was done because we sought to do the due diligence that we are aware needs to be done, it was signed on the 17th.

Mr. Paray: And just as I wrap up and as you mentioned a very important word there called due diligence. I am a businessman and I claim to be an accounting officer myself and I guarantee you I am not spending any money on anything that I am not sure of. I am glad you did not sign it on the day because we might have been in a worse-off position. So within 24 hours, we end up with a vessel that is somewhere in Panama still as I understand.

But the question that I want to ask, if due diligence was played and I assume and I expect the Ministry of Works and Transport to really be that last bastion to protect the citizens of this country because you are public officers, you are responsible for all our taxpaying dollars here. So whatever right or wrong the pact may have done in terms of the decision-making, I would think that you—not you, personally, Ma'am, but your office—have that responsibility to the people of this

country because there can be no doubt that something failed.

So that is out of the argument. Now we talk about due diligence, is it normal—I have two copies of other BIMCO agreements that were attached in the file and submitted by other people. And a document was signed by your Ministry with two key components that is a bit strange in terms of the entries. On item 21, owner's bank account to be provided. Now, again, I am an accounting officer and I am signing a contract to pay sums of money which I assume will be, perhaps, mobilization fees and so on, I have to get the vessel here. But it does not strike a concern in my heart, as an accounting officer, that this is going to be provided afterwards, as a red flag.

And under item 34, the Commissioner on whom payable, and I understand these are standard questions because in the maritime industry, I understand—having read it in 24 hours, pieces of it—that transparency is paramount in these documents so you know who, when, how, account number, who getting it. So there is no breakdown here but the response on this document is N/A, which I assume is not accessible, not available, owners to deal with directly by separate agreement. Where is this separate agreement? All I am questioning here is the role that the Ministry ought to play when committing taxpayers' money.

And in your submission a little while ago, your conversation, you referred to a state documentation and policies and regulations and you have to operate within those parameters in terms of your decision-making process. I would like to ask, to me as a layman on the outside, there is some common sense thing here, “it aint ha” nothing to do with regulations, that I am not going to sign this document if these things were not clear.

So I am a bit concerned that part of the remit of this JSC is not only to investigate all the instances around the *Cabo Star* and other vessels. But what are

we doing wrong in our procedure that will end up here in six months again because there is another tender that is coming and if that vessel shut down half way, I guarantee you we are going to be back here again.

So I do not want to sound that, you know, I am laying blame here but it is clear that if things were done in a different way, we may not have been here and I am very surprised, as I said, that within 24 hours—and if you had taken a look at the evaluation, the tender evaluation component—I am not sure if you have seen it—there are serious questions that you could ask.

But I will just ask in terms of, you know, moving forward, can we get some commitment or can I get some commitment that, as we move forward, that a little more care, to me, can be played that we do not go down this road again. Because I listened to the Port Authority and they said that they do not sign contracts, it is you. So they took themselves out of it. And then you are saying that, well, they do all the evaluation, investigation and I trust what you have given me. So clearly there is a gap in that bridge that we ought to fix. Thank you, Mr. Chairman.

Mrs. Jennings-Smith: I want to ask the Permanent Secretary, what role did the ICSL play with regard to the break of the 18-month contract? Did the Ministry serve ICSL a notice to break the 18-month contract? Okay, let me ask you another question. Did the Ministry seek legal advice on whether or not there was a subsisting 18-month contract with ICSL expiring in October 2017? Are you aware?

Mrs. Francis-Yearwood: I will let the director of legal speak to that.

Mr. Gonzales: Thank you, Member. As it relates to that 18-month contract that a lot has been said about in these proceedings, I just want to make it abundantly clear that there was never an issue between the Ministry of Works and Transport and Intercontinental as to the existence of an 18-month contract. As a matter of fact, in numerous documents or correspondence exchanged between the parties,

Intercontinental had reiterated on one more than one occasion that there existed between the parties an 18-month contract. The Port Authority would have communicated the approval of the 18-month contract to Intercontinental and they would have confirmed that via several communications with the Port Authority and with the Ministry.

In relation to the question as it relates to termination, the Ministry never served any letter regarding the termination of that 18-month engagement with Intercontinental. As a matter of fact, it is via a letter from Intercontinental dated, I think, March the 28th where Intercontinental would have informed the Ministry that the owners of the vessel had taken a decision to withdraw the *Super Fast Galicia* from the sea bridge and in that context, the vessel will no longer be available to serve the sea bridge throughout the life of that 18-month contract.

Mrs. Jennings-Smith: I want to bring “yuh” to something. That same Mr. John Powell, Managing Director of ICSL, did he write a letter dated April the 3rd recommending a vessel? So that he sent to tell you that the other vessel is—but at the same time, he also sent a correspondence telling you that he is recommending a particular vessel for use.

Mr. Gonzales: And that is correct. When the Ministry was served with what I regard as a notice of termination or withdrawal of the *Super Fast Galicia*, the Ministry would have immediately engaged Intercontinental and reminded them on several occasions, both orally and in writing, that there existed an 18-month contract and that they have a responsibility, the company has a responsibility to fulfil that 18-month contract ending in October 2017. He informed the Ministry that the owner of the vessel took a decision to withdraw the *Super Fast Galicia* from the sea bridge because he was having certain problems and some of the problems that he would have indicated that the owners had or the owner had was that they

were not getting a longer-term contract on the sea bridge, they were not satisfied with the financial arrangement that was put in place by the state, and one or two other issues he would have indicated that the owner had and he had taken a decision to withdraw the vessel from the sea bridge.

Having warned Intercontinental that the withdrawal of the vessel would constitute a breach of contract, Mr. Powell indicated that they were prepared to offer another vessel to fulfil the life of the contract but that vessel was not available at the time the *Super Fast Galicia* was to leave the sea bridge.

Mrs. Jennings-Smith: Now, Mr. Gonzales, I read in some submissions that you all made where there was a contractual arrangement to pay up to October. I really want to know, are we paying for that vessel up to October 2017 still?

Mr. Gonzales: No. The answer is no.

Mrs. Jennings-Smith: So would you describe the situation as a crisis with respect to the inter-island ferry service following the withdrawal of the *Super Fast Galicia* in April?

Mr. Gonzales: Indeed it created a crisis because the withdrawal of the vessel would have left a situation where there was no vessel to transport cargo on the inter-island sea bridge and it would have triggered an emergency situation on the sea bridge.

Mrs. Jennings-Smith: So I would imagine that the Ministry would have ensured that the port exercised due diligence in the procurement of the *Cabo Star* and the *Ocean Flower 2*?

Mr. Gonzales: I think the Permanent Secretary, she has said enough on that point and there is nothing more I can add to what she said.

Mr. Khan: I just want to follow up on MP Jennings-Smith's line of questioning. Now, it is clear that there was consent from both parties that an 18-month contract

did exist in law, case law, written law, whatever it is. Is that a fact, Sir?

Mr. Gonzales: And that is a fact.

Mr. Khan: So therefore, the hurried action of Intercontinental, for whatever reason, because whatever reason has no bearing on you as the other signing party to the contract, it is interpreted as a breach of contract.

Mr. Gonzales: We regard it as a breach of contract.

Mr. Khan: So obviously the liabilities of the breach rest squarely with Intercontinental?

Mr. Gonzales: That is correct.

Mr. Khan: What does the Ministry plan to do about that?

Mr. Gonzales: Well, first, when Intercontinental would have served notice that they were about to withdraw the *Super Fast Galicia* from the sea bridge, the Ministry took a decision to issue a pre-action protocol letter to Intercontinental calling upon them to perform the contract until October 2017. Because, failing which, they would have put the Inter-Island Ferry Service, it would have caused a major disruption, it would have affected the life of the people of the twin-island republic, more so the people of Tobago, it would cause severe economic constraints on both islands, more so the people of Tobago. In that regard, we called upon them to perform the contract and we indicated to them, via our pre-action protocol letter, that should they withdraw the service before October 2017, the Ministry will pursue legal action for breach of contract against the company and we are in the process of doing that.

Mr. Khan: Because, you see, the nation should know that this precipitated crisis, the most singular event that led to this is the untimely or hurried exit of the *Super Fast Galicia*.

Mr. Gonzales: And that is a fact.

Mr. Khan: In breach of the 18-month contract that existed.

Mr. Gonzales: And that is a fact.

Mr. Khan: Am I correct?

Mr. Gonzales: And that is a fact.

Mr. Khan: Yeah, that is a fact. And so, let us now come to show what good things this country did for the *Super Fast Galicia* and check how they behaved at the end. I know you may not have been in the Ministry but I want to go on public record. A contract was signed on May the 7th, 2014 with an effective date of May 1st at a cost of approximately 15,000 euros per day. You should be familiar with that statement.

Mr. Gonzales: Yes.

Mr. Khan: However the boat only started to work in Trinidad on August the 4th 2014. Is it that we paid for that period approximately \$18million before that vessel that was prematurely exited from Trinidad, we paid an approximately \$18million before the vessel worked a single day. From the Ministry's records, is that true?

Mrs. Francis-Yearwood: Yes, Member Khan, that is what our records show.

Mr. Khan: So this country paid Intercontinental the sum of \$18million for services not provided because the contract date, start was May 1st and the vessel did not actually begin working until August the 4th. I just want that to go on the records.

And hear the goodness that went ahead with the *Galicia*. My information here is that in April 2014, a cheque was sent to the then Ministry of—a cheque was sent from the then Ministry of Transport to the Port Authority to be placed in an account on hold until a contract was executed. I mean something about this company and this boat found favour with the then administration.

I want to ask the PS, while you were not directly responsible for this action,

from your extended experience in the public service, is it normal for an actual cheque to be issued without there being in place an executed contract or even the submission of an invoice to hold it in escrow until these people ready with their business. Have you ever encountered an event of that nature over your long and distinguished career in the public service?

Mrs. Francis-Yearwood: No, I cannot say that I have had experience of such an activity.

Mr. Khan: But then who possibly, from your experience, in the hierarchy of the Ministry could have even initiated an event like that far less get a cheque cut and sent to the Port Authority under these questionable circumstances?

Mrs. Francis-Yearwood: Well I would take it that that would have been an activity between the Ministry of then transport and the Ministry of Finance. They would have.

Mr. Khan: I do not want to put you in a spot but it could have very likely involve Ministers.

Mrs. Francis-Yearwood: And seeing that do not want to put me in a spot, I would not place myself in that spot and I will indicate that I have absolutely no record of that time.

Mr. Khan: I accept that answer.

Mrs. Francis-Yearwood: Thank you.

Dr. Francis: Madam PS, just my opinion, I am sure that there are many Ministers past, present and future who would be happy to accomplish something in 24 hours so I have no problem with that. Testimony yesterday highlighted that there was one institution on the port that operates as union, as service provider, as employer. As someone who stands at the helm of the Ministry and that relationship might not operate to the best interest of the port, in your position as PS, what is your

perception of that?

Mrs. Francis-Yearwood: My perception is that for any service provided on the Port Authority, there should be a transparent and a fair procurement practice that results in the provision of the service at the most economical rate and the most efficient methodology. That would be my view on that.

Mr. Mark: May I ask the distinguished Permanent Secretary, why was the charter party agreement not executed by the Cabinet, even though meetings were held in the Ministry of Works and Transport and it was unanimously agreed on the 16th of March 2016, and the 8th of April 2016 by the management of the port, the board of the port, supported by the Ministry of Works and Transport, the Minister of Works and Transport, Fitzgerald Hinds, at that time? This, I understand, took the form of a Note which was sent to the Cabinet. I would like you to tell this Committee if the Ministry executed a Note and it was taken to the Cabinet for approval, given the fact that one, the management had agreed; two, the board had agreed; three, the Ministry had agreed; four, the Minister of Works and Transport had agreed for the one-month extension. Did the Ministry prepare a Cabinet Note on this matter at the time of this unanimous agreement, including the Minister of Works and Transport?

Mrs. Francis-Yearwood: Member Mark, I have no knowledge of a Note being taken to Cabinet that speaks to approval for the 18-month contract.

Mr. Mark: Can I jog the imagination and thinking of the Acting Deputy Permanent Secretary who would have been acting at the time. Was a Note prepared, Madam Acting Permanent Secretary, Dhanmattee Ramnath.

Mrs. Francis-Yearwood: Before Ms. Ramnath responds, just to clarify, Ms. Ramnath would not have been the Permanent Secretary at that point in time.

Mr. Mark: She was not Permanent Secretary?

Mrs. Francis-Yearwood: At that point in time.

Mr. Mark: Is there any record in the Ministry that a Cabinet Note was prepared and submitted?

Mrs. Francis-Yearwood: At this point in time, I could say that I have seen no record of a Cabinet Note submitted in terms of the 18-month contract but I will undertake to return to the Ministry and to, once again, check the records of the Ministry to see whether or not that exists.

Mr. Mark: So you are telling this Committee that the team that is here, headed by you, have no recollection of a Cabinet Note being generated by the Ministry to execute an agreement that was unanimously agreed upon by the board, by the management of the Port Authority, by the Permanent Secretary and by the Minister? There is no recollection of a Note being prepared?

So, in other words, a decision was taken, based on what you are saying, Madam Permanent Secretary, everyone agreed and the Ministry of Works and Transport simply ignored, simply was guilty of dereliction of duty and failed to generate a Cabinet Note to take to the Cabinet so that the Cabinet could have agreed and approved. Because I want to remind you that the Tobago Chamber of Commerce, the division of that chamber, got a letter from your Ministry indicating that there was unanimous agreement for the 18-month extension and the Tobago Division of the Trinidad and Tobago Industry and Commerce, they were all prepared and they were happy that that decision was taken.

So, in the face of all of this, Mr. Chairman, is the Acting Permanent Secretary telling us that in spite of all those agreements, the Ministry stalled, the Ministry sat and the Ministry refused to prepare a Cabinet Note and have it sent to the Cabinet. Well, if that is not dereliction of duty, then the Ministry and its officers must take full responsibility for that crisis that has taken place in Tobago.

Because my information—I want tell you what is my information. My

information is that a Cabinet Note was generated, it was taken to the Cabinet by the Minister and it was rejected by the Cabinet of Trinidad and Tobago. They told him to withdraw that Note. That is the information I have and therefore, I am putting it to you, as the Permanent Secretary, there is something, there is a stench emanating from the stateroom and we need to get to the bottom of it. Why did that Note not go to the Cabinet? I have a different set of information on this matter.

And I want to tell you, this is a manufactured crisis. I am convinced that this is a manufactured crisis and I will tell you, when the Prime Minister is invited here, he will have to account for this debacle that took place that affected the people of Trinidad and Tobago, including particularly the people of Tobago. That is my view and you do not have to respond.

Mrs. Francis-Yearwood: But I want to respond, member Mark, if you do not mind?

Mr. Mark: Yes.

Mrs. Francis-Yearwood: Yes. I am trying to divide the different questions that you may have asked within your statement but before I continue, let me just say I now understand why I have always liked to sit and listen to you speak. So I will start by saying, one, I repeat, there is no record within the Ministry of Works and Transport of a Cabinet Note being submitted in respect of the 18-month charter.

Mr. Mark: Madam, may I interrupt you? If a Note is prepared and it is withdrawn, would there be any record of it?

Mrs. Francis-Yearwood: Yes, if it is prepared, submitted, and withdrawn, there would be a record.

Mr. Mark: Okay and there is no record.

Mrs. Francis-Yearwood: There is no record of a Note being submitted to Cabinet. I guess I am trying to make that specific distinction because that is what our

records show. The process for a Cabinet Note, as I am sure, is that all the information surrounding an issue is gathered and a position is put before Cabinet. In developing the Note at times, you take the time to get the information and to submit. The issue of whether or not the information was gathered, the information was gathered, the note—there was a document that was prepared but we have no record that a Note was submitted to Cabinet.

I want to just stick a pin here because, as mentioned before, I have been a public officer for quite a while and the terminology that was utilized in your statement regarding this particular matter, I really find it was unfortunate, because the Ministry and the public officers in the Ministry, in the main, seek at all times to perform our duties and our responsibilities in a manner which will provide the best service to the population of Trinidad and Tobago.

And having heard you on other occasions, I know that you share that view in generality and I am hoping, as time goes on, you will share that view for the Ministry of Works and Transport as well.

Mr. Mark: Well I want to tell you that I have the greatest respect and confidence in the public officers. I am not blaming public officers.

Mrs. Francis-Yearwood: I appreciate that.

Mr. Mark: That is why I have indicated to you, we have invited the hon. Prime Minister and he will do a lot of answering. So I am not blaming you.

Mrs. Francis-Yearwood: Not me in particular but public officers in the Ministry of Works and Transport.

Mr. Mark: Madam Permanent Secretary, through the Chairman, I want to tell you if you are not aware, from the word go, a company was formed on September the 29th, 2015 called Bridgemans Services Group. That was a couple of days after a general election in Trinidad and Tobago. I want to go on further to tell you, if you

are not aware, that on the 16th of December 2015, some 23 days after the new board of commissioners of the Port Authority was appointed, the board of that PATT took a decision to terminate—and I want you to understand what I am saying—the Government of Trinidad and Tobago, on the 16th of December, through a letter written by Pamela Forde to your Ministry, took a decision to terminate the *Super Fast Galicia* contract. So it is nothing about ransom. The Government of this country took a decision, within 23 days of the board of commissioners being installed, to instruct your Ministry to take measures to end, to terminate the contract of the *Super Fast Galicia*.

So when we are looking for the real root of the crisis, I am saying the blame may have to go all around but you see this letter from Pamela Forde tells me that a decision was taken by the Cabinet then, under our Government, to terminate the *Super Fast Galicia*. You have no responsibility there. I am not blaming the Ministry. You have to carry out—

Mr. Chairman: And your next question, Senator.

Mr. Mark: No, I was making a statement.

Mr. Chairman: Well, yes, but we are here to ask questions.

Mr. Mark: I will pause for a while.

Mr. Smith: Thank you, Chairman, I have two quick questions. On the cancellation of the *Ocean Flower 2* passenger vessel, were all checks made to ensure cancellation was done within the clause afforded in the contract? Answer that one first and then I will ask the next one.

Mr. Gonzales: Thank you very much. Yes, and the answer to that question is yes.

Mr. Smith: Why did the Ministry not support the recommendation made by the PATT management for a five-year contract extension for the *Super Fast Galicia*?

Mrs. Francis-Yearwood: Before I respond to your question, member, just to note

that I could become a bit confused because as you have just stated, there was a recommendation by the Port Authority for the five-year contract but I have just been told by member Mark that there was a recommendation before that for the cancellation or the termination of the said contract. So it could become a bit confusing if one is to listen to both sides of the argument and it is in that context that the issue by the Ministry had to be examined because at one time, we would get something stating not recommending continuation and then we would get something requesting three years plus two years, speaking to five years.

So when that matter came, a review had to be done of the whole situation and in doing that review, it was seen that from the very beginning, the Port Authority went out for a six-month contract—charter party contract. We looked at the selective tenders, the list of tenderers that it went out to, which we have here, and out of that, Intercontinental was chosen and then we saw where it was moved from a six-month contract to a 12-month contract based, we are told, on the economics of the matter.

At the end of that one-year contract, there was a recommendation for another six-month contract and once again, it moved from a six-month contract to a one-year contract and then we saw where before that one-year contract came to an end, the company came and indicated that there was need for a two-year contract and if that was not formalized, there will have to be the return of the vessel by February 2016, which would have been before the contract or the expiration of the contract and then once again, we saw where, we were advised that there was need for another contract and prior to that expiration of what would have been that contract, there was a proposal placed to the Ministry for this three years with the extension for two years, a five year contract.

Now failing which, once again, the vessel will have to be pulled off of the

service. At that point in time and subsequently, with the impression that there existed a contract, an 18-month contract that would end in October, the intention was that the port would go out to tender and by the time that tender was finalized, we would come to the end of the existing contract, so that there should have been no break or disruption of the service. But we wanted the proper procurement process to be undertaken and based on the history provided, it did not appear that that was being allowed to happen. So it was in that context that the three-year plus the five-year was not directly entertained at that time, but the procurement process that was provided or was to be undertaken by the board was open to everyone, including the company that submitted the request for the three plus the five-year.

Mr. Khan: Madam Chairman, because it is a follow-up question. Yesterday, when we questioned the Port Authority previous and current board, both boards claimed no knowledge of this letter from the Port Authority management to the Ministry of Works and Transport for a five-year extension, three by two. No board decision was taken to that effect.

I just want to go on the record to tell you that the Port Authority is a creature of statute and they are governed by a board of commissioners and it is only the board of commissioners, according to that statute, is authorized to communicate with the Ministry on a matter like that. Was the Ministry aware that something went fundamentally wrong when it is purported that the management of the Port Authority went ahead, supposedly independent of the board of commissioners' approval, to write directly to the Ministry requesting a five-year extension and was the Ministry aware at the time that that letter did not have the authorization of the board of commissioners?

Mrs. Francis-Yearwood: We saw in the records that the letter came from the management. The next step that would have or should have been taken and would

have been taken was to also seek to get the report from the commissioners. We could not find that in our records.

Mr. De Freitas: Good afternoon, again. I just wanted to make some comments given all the questions that have been asked thus far and one of the things that I am noticing is that I am seeing certain things that are not working the way they should. Things like chain of command, things like tendering processes and what not. So I want to ask: Does the Ministry have a procurement plan in place?

Mrs. Francis-Yearwood: Yes. The Ministry of Works and Transport has a procurement plan in place. The Ministry operates under the Central Tenders Board Act at this time and the internal procurement of the Ministry in terms of the devolved functions to the PS is also guided by a circular memorandum that details the process. The Ministry is also working in tandem with the Ministry of Finance to seek to put in the necessary measures required under the soon to be assented procurement legislation. In terms of the Port Authority, the Ministry also is aware that there exist approved tender rules and regulations which are utilized by the Port Authority.

Mr. De Freitas: Can we get a copy of that plan?

Mrs. Francis-Yearwood: Of the?

Mr. De Freitas: Procurement plan.

Mrs. Francis-Yearwood: Ministry's procurement plan. Surely.

Mr. De Freitas: Thank you. The procurement plan for the Ministry and the Port Authority plan. Can we get copies of those?

Mrs. Francis-Yearwood: The Port Authority tender rules and regulations.

Mr. De Freitas: Yeah. All right. The other thing I want to state is that I hope as a country we are working towards an ideal in terms of operation of the sea bridge, that ideal being based on the last two days, owning our cargo vessel and owning

our passenger vessels, also having the maintenance of those vessels under local management and I think that is the ideal that everybody can agree that we are working towards.

So what I want to ask because I am hearing that a part of the process is that the Port Authority would, through tenders, identify certain specifications, invite tenders to those specifications which are then recommended to the Ministry who would then take it up the chain of command for necessary approvals. What I want to know is, based on what is needed on the sea bridge, does the Ministry of Works have an understanding of what specifications are required in terms of what types of vessels as well, both for the cargo and for the ferries? And I am asking this because as much as the Port Authority might be responsible for sending out those tenders towards a specification and making recommendations, as an extra check and balance, if the Ministry understands that this particular sea bridge between Trinidad and Tobago requires this particular type of vessel to meet this particular type of demand, then if recommendations come in that do meet that, the Ministry of Works and Transport would be able to say, well look, this is not going to work.

So what I am asking in a nutshell is: when was the last assessment done at the Ministry or otherwise on what is required for the sea bridge cargo-wise and ferry passenger-wise?

2.45 p.m.

Mrs. Francis-Yearwood: At my knowledge, the last assessment, in terms of what is required on the inter-island ferry service was done via a committee set up by the board of the Port Authority. That report was utilized in one of the most recent submissions to Cabinet outlining what type of vessel, the specifications for the inter-island ferry service. Internally, the Ministry does not have a dedicated unit

dealing with port operations. The Ministry does have the regulatory arm of the sea transport under its remit through its Maritime Services Division.

Mr. De Freitas: Do you think it would be necessary for the Ministry to have such capacity because, based on what we were hearing yesterday where you realized that things may not be functioning properly between Port management and the Port board, that the Ministry of Works and Transport would have some capacity, it may not be the full but some capacity to say: “Well, look we can make sense out of nonsense with what is coming to us”, so that we can deal with this matter going forward.

Mrs. Francis-Yearwood: I paused slightly before I respond because I think we have to make sure that we have the balance between what an agency is established to do and to ensure that agency has the capacity to do it and to make that agency accountable for it. That is one. Because this is what the port was set up to do as an agent of the State. So that is what the port was set up to do and we must not take away that responsibility from them; not that I am saying that is what you are suggesting, but oftentimes, sometimes, in trying to fix a problem we move away from the problem and we put a parallel system in place to, as we say, compensate. But what we need to do is to ensure that what has been set is properly structured in such a way that it functions and it is held accountable. So, I say that in a general statement.

In the past the Ministry has had what we call a sea sector specialist to give general review of what is submitted and it is possible that that may be something that needs to be reinstated. So that is one area that could be looked at as well.

Mr. De Freitas: I think that that would add a level of robustness, if I could use that word, to the entire proceedings; that position that you just indicated. The reason I am asking all of this is because, this morning, in an interview, I would have gotten

some information in regard to the catamarans, the ferries that we are using. And information is along the lines of worldwide or globally, catamarans are being sort of phased out as transport fast ferry vessels and they are moving to what is called a trimaran. That is why I had asked the question earlier in regard to the assessment of what is best for the sea bridge. And based on that, if the Ministry had done an assessment or gotten a report or had that capacity then they may be able to sort of suggest a better vessel in that regard.

I am really saying that to make the Ministry aware going forward because at some point the ferries that we have now would need to be replaced, which we would have heard yesterday regarding maintenance and the age of the vessels. These are some of the things that we need to look at with regard to advancement of technology in the field and advancement of vessels so that we do not end up doing the same thing over and over again by way of specifications and looking for boats that are the same as what we have always been using but the industry itself has moved away from that.

So we are just saying that to let you know that you should have that extra capacity to keep looking and seeing where the industry is going by way of best vessel for the bridge.

Mr. Chairman: Do you wish to respond to the last comment, Madam PS?

Mrs. Francis-Yearwood: I can respond by saying that I am quite in agreement with member De Freitas and I think actually we have to start from—we have to step back a bit and we have to start by looking at a proper cost-benefit analysis, in terms of maintenance of our vessels and longevity versus purchase. That, to me, would be the very first step that we would need to take because I am all for the latest and the most ideally suited. At times though, we need to take our

environment into consideration and we need to deal with best fit for all the things that we have to deal with, including our resources.

Mrs. Jennings-Smith: Yesterday and into this morning, we had responses from the Port Authority and board members, in one instance where the both of them were at variance to questions put. And I want to ask, in dealing with maritime assets, who are the experts? Is it the board? Is it the Port Authority? Is it the Ministry? And I want to continue because I noted in a letter that was written by the Permanent Secretary of July 25th to the Port Authority General Manager when she asked, and I would quote:

She would be grateful for the guidance and recommendation of the Port Authority of Trinidad and Tobago with respect to those documents prior to my signing of same.

Now, this request was being made following the submission of a form C 84 for completion. Right? Based on this, could you please state whether there are process maps for specific procurement elements? And why was this advice not sought internally of the Ministry? All in all, I just want to find out when we are dealing with these types of issues, maritime assets, who do you look for, for expert advice?

Mrs. Francis-Yearwood: In terms of port operations, port assets, capital and otherwise, we are guided by the Act. The Act states that:

The Authority, the Board, shall appoint such—"officers and employees as may be necessary and proper for the due and efficient administration, management and performance by the Authority of its duties under this Act."

And in that regard, that is where the sector specialist expertise should reside.

Regulatory maritime matters, we have a Maritime Services Division headed by a Director of Maritime Services and we would seek for authority in those areas from that agency or division.

Mrs. Jennings-Smith: If we were to look for some level of objectivity, do you agree that some specific training in maritime projects should be entered into for senior executive officers of the Ministry?

Mrs. Francis-Yearwood: At the initial look at it, I can say that that is where we have the board and we have the authority for operational matters. But as well, yes, training in maritime matters, port matters, for Ministry officials would be of assistance and there are, at times, training offered and accessed by Ministry officials.

I myself, I have a Masters in Aviation Management but that is not where I am operating. So it would assist, but it is not essential; but it would assist.

Mr. Chairman: I think we are getting close to the point where we need to wrap up. I would just like to remind the Ministry that we reserve the right to recall yourself and your staff, given the submissions that may be made after your departure today. But for my part there are three things I needed some clarification on.

The first is that we heard from the Port Authority yesterday that they did not have a strategic plan and not much by way of a business plan. From your perspective as the oversight Ministry, were you aware of that? And now that you are aware of that, what do you intend to do?

Mrs. Francis-Yearwood: Yes, we are aware of it. We are also aware that the management is in the process of developing said plan on the request of the Authority and we will continue to work with them in order to ensure that they develop such a plan.

Mr. Chairman: The other issue I wanted to raise, I need to get some clarification as to the respective roles. You have a marine division I take it. You also have a Maritime Services Director.

Mrs. Francis-Yearwood: Well we have a Maritime Services Division that is headed by a Director of Maritime Services.

Mr. Chairman: Is there a separate marine or that is a misnomer, it is just a maritime.

Mrs. Francis-Yearwood: Maritime Services Division. Yes.

Mr. Chairman: Okay and I am also aware that there is a transport board located within your Ministry?

Mrs. Francis-Yearwood: Yes, there is.

Mr. Chairman: So, with regard to the issues involving these vessels, good, where does the role of one end and the other begin?

Mrs. Francis-Yearwood: The Transport Board is in relation to road matters and the Maritime Services Division would be in relation to vessels.

Mr. Chairman: So, am I to understand then that vessels have to obtain some sort of licence from the Transport Board?

Mrs. Francis-Yearwood: Not from the Transport Board but from the Maritime Services Division and I can let the Director of Maritime Services respond, if you like, in a more detailed fashion.

Mr. Chairman: Because I am still not clear. The Maritime Services Division, is that a legal entity?

Mrs. Francis-Yearwood: It is a division under the Ministry of Works and Transport.

Mr. Chairman: Right, but as far as I am aware, the Transport Board is clearly a legal entity.

Mrs. Francis-Yearwood: Yes.

Mr. Chairman: And its authority is defined by law. That is what I mean by legal entity.

Mrs. Francis-Yearwood: I believe that the Maritime Services Division is also – such detail is related to that. So under the Shipping Act. And I will let the Director Maritime Services Division respond to that.

Mr. Alfred: Thank you Chair, for the question. The Maritime Services Division was actually created by the Shipping Act of 1987 of Trinidad and Tobago. So we are responsible for the implementation of all the regulatory parts of the Shipping Act which will include issuing of licences to seafarers, and licences and certification for vessels that use our waters.

Mr. Chairman: To be clear, so that you issue the licence?

Mr. Alfred: We issue licences to seafarers but certification to vessels.

Mr. Chairman: I want to be clear. Do you issue a licence?

Mr. Alfred: To our local seafarers, yes. If I may, Chair—

Mr. Chairman: So what does the Transport Board do with regard to seagoing vessels? Because there must be some distinction between the two, unless they are one and the same.

Mr. Alfred: If you think of licensing division that deals with cars on the roads, we at Maritime Services, we deal with the regulatory functions of shipping. So we deal with, we register vessels. We give them the necessary certification that they require and we also issue licences to our local seafarers.

Mr. Chairman: What I am trying to do is understand where what starts and the other ends. I am not getting that from you.

Mr. Alfred: Okay. My understanding is the transport board deals with vehicles on the road. When we come to ships, and ships at sea and regulations and the certificates that they need then that is where you come to my division, Maritime Services Division.

Mr. Chairman: So that all these vessels we are talking about the *Super Fast Galicia*, the *Cabo Star*, et cetera, the Transport Board had a role to play with regard to their operation, or none at all?

Mr. Alfred: No, Chair. I want to make another interjection here because in terms of issuing of certification or primary certification for ships, that is done by the country of register.

Mr. Chairman: But to operate in our waters.

Mr. Alfred: To operate in our waters we would give, for the ferries they have to have something called a drogher, which is in a sense, we give them a certificate saying that they are safe to operate here.

Now, the vessels that you are speaking of were foreign flag vessels. So for foreign flag vessels before they can operate within our ports, so a foreign flag vessel, you can come into Port of Spain. You can offload your cargo. But if you come to Port of Spain and you want to go to Tobago or you want to go to Point Lisas there is an extra certification which we call a drogher you need to get. We provide that. It is also in accordance with the Customs Act. So we provide that certificate saying that the ship is safe after examination of their certificates and also an inspection.

In addition to that, for a ferry service, in accordance with the Shipping Act, we also need to issue a permit to operate, which, again, in essence would require us to examine all their certification that they need, their registry, their load lines, their oil spill plans, their insurance. We would look at all of that before we issue a permit to operate a ferry service.

Mr. Chairman: We need to wrap up at this stage, so I would allow the PS to make some closing remarks.

Mrs. Francis-Yearwood: Thank you, Chair. As we close, the Ministry, we would like to simply reiterate that our main concern is the welfare of the citizenry of Trinidad and Tobago. We are here to serve the public. And as it relates to the inter-island ferry service in particular, it is our intention that, as we move forward, we would be seeking to work with the Port Authority, the Board of the Port Authority, in terms of implementing any measures that may come out of this Committee deliberation, as well as our own internal reviews that are being undertaken and the overall objective is to ensure that we have an efficient service between our two islands and externally, because we also recognize that the Port Authority of Trinidad and Tobago is a main entrance and exit point to our country and it has significant impact on our economic viability, as well as just our natural way of life in Trinidad and Tobago.

So with that, Chair, we want to continue to give you our assurance that we will work with you and your members and any deliberations that may come out of the Committee's hearing. Thank you.

Mr. Chairman: Thank you. Until we meet again.

Mrs. Francis-Yearwood: Thank you, Chair.

Mr. Chairman: We now call the Trinidad and Tobago Inter-Island Transport Company to make their submissions.

Ms. C. Lewis: Good afternoon. Should we proceed?

Mr. Chairman: Trinidad and Tobago Inter-Island Transport Company? You could come forward.

Ms. C. Lewis: Come forward?

**OFFICIALS OF TRINIDAD AND TOBAGO
INTER-ISLAND TRANSPORT COMPANY**

Mr. Hafeez Mohammed Divisional Manager, Operations and Ticketing

Ms. Vilma Lewis-Cockburn Manager, Marketing & Public Relations

Nadine Pierre-Mc Kenzie, Accountant (Ag.)

Mr. Michael Bahadoorsingh Manager, HSE (Ag.)

Ms. Michelle Scipio-Hosang Manager, Fast Ferries

Mr. George Ronalds Team Lead, Operations and Safety

Mr. Anil Ramdial Manager, Strategic Planning

Mr. Chairman: Okay. Good afternoon and welcome representatives of the Trinidad and Tobago Inter-Island Transport Company. Let me take this opportunity to introduce myself. My name is Stephen Creese. I am the Chairman of this Joint Select Committee and I would now like to introduce members of the Committee.

[Introductions made]

Mr. Chairman: I now invite you, group leader, to introduce yourself and the rest of the staff present.

Ms. C. Lewis: Good afternoon, Chairman and members. My name is Charmaine Lewis, I am the Acting General Manager/CEO of the Port Authority of Trinidad and Tobago. The TTIT, which stands for the Trinidad and Tobago Inter-Island Transport Company is a unit under the Port Authority of Trinidad and Tobago. The original name for that unit was the Government Shipping Service as prescribed under the Act. And there was a transition of sorts at the port and we established these units and what was the GSS is now the Trinidad and Tobago Transport Company (TTIT). I begin by having my team introduce themselves, starting on the right.

[Introductions made]

Mr. Chairman: Just by way of reminder, the purpose of this hearing is to enquire into the Trinidad and Tobago Inter-Island Ferry Service with specific focus on the procurement and management of the ferries.

The objectives, of course, are as follows:

- to understand the current state of the ferry service in Trinidad and Tobago;
- to examine the policies and procedures used to acquire ferries and to ensure that value for money is obtained;
- to determine whether due diligence governed the conduct of all aspects of the maintenance and management of the provision of the sea bridge service;
- to determine the changes and challenges with respect to the maintenance of ferries.

I wish to assure you that your statements and submissions are covered by parliamentary privilege so you can be free to be candid in your comments and contributions.

I would now invite the General Manager, I think it is, to make some opening remarks before the questions begin.

Ms. C. Lewis: Thank you, Chairman. The Port Authority, and by extension TTIT, we are here to cooperate with the Committee and provide, as candid as possible, all the answers that you may want to pose to us and to also share with you any information that we may think that is pertinent to your deliberations.

Our board was here before. So the board would have sort of set the stage and the overview for the Port Authority in general so I would not repeat that. But just to say that the TTIT is governed by the same board because it is a unit under the Port Authority of Trinidad and Tobago and I think we can just move straight into

the proceedings. That is the end of my opening remarks and we can move straight in.

Mr. Mark: May I? Mrs. Chairmaine Lewis. Let me join with the Chair in welcoming the team again, especially your good self. Could you share with us what you would describe as your core business, as a special business unit of the Port Authority so we can collectively appreciate your mandate within the overall operation of the Port Authority of Trinidad and Tobago.

Ms. C. Lewis: The core business of the Trinidad and Tobago Inter-Island Transport Company is to operate and manage the sea bridge between Trinidad and Tobago and all aspects of that operation. The operation consists of the cargo operations, the fast ferry operations and the ticketing operations or the ground operations, as well as a limited amount of cargo operations at the Port of Scarborough. Generally, that is it in a nutshell.

Mr. Mark: So what role would your board or company play in the acquisition of vessels for the sea bridge between Trinidad and Tobago, Scarborough and Port of Spain?

Ms. C. Lewis: Generally, the port would, if there is an acquisition taking place of any particular vessel, the port would provide guidance generally to the Ministry, through its board on the specifications of the vessels.

The port would play its role in the issuing, once it is board approved, with the issuance of a tender to invite persons to submit their applications or their submissions as regards their offerings, in terms of the tender. We would establish an evaluation team. Sometimes those teams are cross-functional/cross-organizational. We would oftentimes invite members of the Pilots Association, Maritime Services Division and various experts to lend expertise to the process.

At the end of the evaluation, submissions go to the tenders committee, the sub-committee of the board. They may or may not request adjustments, or they may have concerns with any particular aspect of the evaluation that may not be as robust as they feel it should be. And at the end of the process a recommendation would go to the Ministry and the Ministry—we would do that with a Draft Cabinet Note. Most times we would start the draft, send it to the Ministry. The Ministry would do its administrative processes involved with the draft and then it goes to the Cabinet, basically.

Mr. Mark: So what role would this company play in the issuing of awards of contracts for vessels to ply the Scarborough/Port of Spain route? I make specific reference to the recent acquisition of the *Cabo Star* and the *Ocean Flower 2*. What would have been your role in this whole matter? Would you have issued tenders for it? Would you have set up an evaluation committee on it? And would you, at the end of the day, negotiate the final contract price re: the lease arrangement on a daily basis?

Ms. C. Lewis: The TTIT itself would not have a role, in terms of a lead role, with regard to issuance of the contract. The TTIT unit, however, would participate in the general specifications. They would be members in part of the evaluation committee. The committee may, most times, be chaired by someone from TTIT and the evaluations would be done.

Specifically, in terms of the *Cabo Star* and the *Ocean Flower 2*, because of the urgency of the situation there was not an invitation to tender but we instead sought and obtained permission to evaluate unsolicited bids and that was the process. So the unsolicited bids were evaluated and that submission went to the tenders committee of the board and it progressed from there.

Mr. Mark: Would you share with us, when you have instances of let us say an emergency, and you have to go out as you have gone out in the case of the *Cabo Star* and the *Ocean Flower 2* as examples, would you, in those circumstances, when you issue, would there be any issuing of a public tender or would it be done on a sole select basis when it is unsolicited? Could you guide us on that?

Ms. C. Lewis: The unsolicited scenario, it was a unique scenario. It is not the norm. The norm would be we either go via open tender or selective tendering. Or, we may go via brokers, international brokers. So this was unprecedented.

Mr. Mark: So, in terms of the evaluation committee, who would have been engaged? Would you have been part of the negotiations that dealt with the final prices for the both vessels at the end of the day, that is the *Cabo Star* as well as the *Ocean Flower 2*?

Ms. C. Lewis: I was in attendance at the meeting.

Mr. Mark: Could you tell us, you know, I have, Madam Lewis, the Dun & Bradstreet report on this particular organization called Bridgemans Services Group, which, from my record, was only formed in September of 2015 and from that particular document their financials were disastrous. They had absolutely no experience in the industry. They had no vessels except one called a Floatel. They had no offices, could not locate them at all. They were from Mars, essentially; missing in action. They used the Port Authority of Trinidad and Tobago. So weak were their financials they used the Port Authority of Trinidad and Tobago to issue two press releases; two.

They only have six employees from our records. No trade data and the company was described by Dun & Bradstreet as wholly and totally unviable. I would like you to share with us and maybe the community, how were we able to arrive at this phenomenal figure of, in the case of the *Ocean Flower 2* US \$22,500

or TT \$157,500, and for the *Cabo Star*, \$26,500 or TT \$185,500. Now, the population, the public, would like to know \$350,000 or thereabouts, US \$50,000 combined or nearest, or thereabouts. Would your company or unit, having read the Dun & Bradstreet report, and I have done some research and my research has shown these vessels are so old, they should have been in the scrapyard of history. And what I have been told, based on my research, the *Cabo Star* that we are paying some \$26,500 for should not cost the taxpayers of this country more than \$10,000, the worst case scenario, or a max of \$14,000. Yet we are paying \$26,500.

In terms of the *Ocean Flower 2*, we understand from research I have conducted between \$10,000 to \$12,000. We are paying them \$22,500. What I want to ask you is that did not these matters coming from Dun & Bradstreet raise some red flags? And could you tell us how the Port Authority, through your unit, was able to arrive at these phenomenal figures for two vessels? One I understand is 29 years old and the other one might be trailing very rapidly on its heels. You know, on the heels of that particular one that I mentioned earlier. So, how did we arrive at these numbers and did red flags go up? We are in a crisis of cash as a nation and these figures, and given the ages of these vessels, they do not add up. So I would like you to clarify for us how you arrived, or how you, from your own experience believe these numbers were arrived at and whether these numbers really raised any red flags when they were being submitted to the Ministry and then ultimately to the Cabinet? Could you help us clear our minds on this?

Ms. C. Lewis: I will try. First of all the TTIT members were not privy to the Dun & Bradstreet. That document was dealt with at the audit committee of the Board of the Port Authority. It was not deal with at the management level.

And the second question, in terms of the negotiations on the pricing, the pricings were submitted by the various proposals or offerings. Those were the

pricings submitted, and in terms of the negotiations, those negotiations, and I think it was mentioned earlier, they were headed by the Deputy Chairman of the Port Authority.

Mr. Mark: Then may I also ask, the issue of the maintenance of the vessels, that would fall under your mandate, right?

Ms. C. Lewis: Well my mandate, in that I am overall GM/CEO but it would fall under the mandate of the management at the Trinidad and Tobago Inter-Island Transport.

Mr. Mark: Right. We are very conscious today that Bay Ferries have left us. We got some very fantastic numbers yesterday but when we drilled down we realized that \$7 million did not represent the actual moneys received by Bay Ferries. Their fees might have been a little lower, maybe US \$ 1 million and not \$7 million. That is the information I received subsequent to what we were told.

Could you tell us, with the Magellan Maritime Services out of the way, what do we have in place at the Trinidad and Tobago Inter-Island Transport Company to ensure a certain degree of stability, as it relates to the maintenance of the current fleet that we have in the system? And do we have, from your experience, the necessary expertise at hand at this time? Because my information is that the team that is there is paid more than the Prime Minister. That is what I have been told and you could tell me if I am right or wrong. My information is that there is somebody there receiving over \$100,000 a month. If I am wrong you correct me on that.

Now, all I am asking is whether we have in place a team of professionals who can provide the kind of maintenance for the ferry service. Or, do you think, from your experience, there is need for us to take action to advertise within T&T and outside of T&T for a group of personnel that can manage and maintain the fleet that we currently have at the level of the ferry service servicing Scarborough

to Port of Spain?

Ms. C. Lewis: I want to make one correction. Magellan, and I alluded to it yesterday, was not engaged to do the maintenance of the ferry. Magellan was engaged to effect the transition from the foreign operators to local management at the Port Authority, and that is in their contract and their scope of work that they provided to the Authority and was approved by the last board.

And if you even look at the price of their service and you compare it with the statistics in terms of the cost of maintenance, one would realize that there is a disconnect between somebody charging you what Magellan charged and having to do maintenance in that fee. So there is a disconnect right up that you can tell that intuitively something is wrong. They were not engaged to do maintenance. They were, however, assisting us in trying to identify persons who may be able to assist with the maintenance team with the departure of Bay Ferries because when Bay Ferries left there were no maintenance records, they did no handovers, there was nothing and we had to spring into action and Magellan was helping in that regard. So I just needed to clear that.

In terms of whether we have the capacity, I would say we need to build the capacity. We have engaged personnel, local and foreign, together with another company, Valena. They have provided some persons to us and we recognize that we would need to build that capacity and do a sort of “counterparting” arrangement so that our locals can work alongside some other professionals who may have the expertise so that we could build the capacity because ultimately, what we want to do is to build our marine industry so that our locals can run the service.

Having said that, I would want Michelle, who is the manager of the fast ferry and the technical person, to explain further in that regard.

Ms. Scipio-Hosang: We have a technical team. I am the manager, but we do have

a technical team and I am just pulling through my notes here to find comments from a recent survey of the vessels that was done by a company on behalf of the insurance of the vessels. So rather than share my own opinion I rather share that of qualified persons, persons who are assessing the vessels and the management from a risk position. As insurance clearly we were looking for the risk associated with the vessels. Just bear with me one second, let me find the actual comments. It says here:

Upon hearing the Port Authority had assumed the management of the vessels, my immediate thoughts were the availability of capable personnel. I was pleasantly surprised by the management team and by those on board and a show. I think there are sufficient personnel and there is the knowledge base and the willingness to succeed.

That is quoted from a report as recent as August 13th to 15th. This is a surveyor who regularly visits as a warranty surveyor for the insurance company for the vessels. So I would accept that this is an independent opinion, independent of mine.

Mr. Mark: Would you be kind to circulate that report. But I think you indicated to us last evening that I think it is the *T&T Express* had not been dry-docked for almost two years now or maybe I think was sometime in 2015 and we are now in 2017 and we were told that this could be a challenge, you know, because every six months to at least a year these vessels are supposed to undergo maintenance by dry docking. So I find that submission by this company that you just mentioned, for insurance purposes, are a bit at odds with what you would have told us yesterday, that one of the vessels, *T&T Express*, has not been dry-docked—maintained properly—for the period 2015 to the current time. Do you have any idea when the *T&T Express* will be dry docked?

Ms. Scipio-Hosang: If I may just further explain. The excerpt I read was pertaining to the management. You raised a question regarding the management, the current management, whether they had the capability or not. I read that to respond to that. The report does go into detail with the issues and does make mention of the fact that the vessel was not dry-docked since January 2015 and there were some concerns. I am not by any means trying to pretend we do not have issues regarding the maintenance of the vessels, based on the condition.

My concern is the understanding of what we talked about when we talk about maintenance challenges, as against the condition. The vessel is classed and has different kinds of certificates, you have heard before, and those certificates are issued based on your maintenance history. Had you not been maintaining the vessel you would have had—you would not be issued with your operating certificates. You would have had to put other measures in place. You would have had to have underwater surveys and so, to give them some level of assurance, in terms of the condition of your machinery.

There would come a point in time when you cannot, as I believe the regulation says, whilst it says you are supposed to be doing it every year, you can get some dispensation if you do your underwater surveys but it must not pass 36 months.

The point of your dry docking and your annual dry docking is for you, especially on these fast ferries, which are more sensitive than conventional types of vessels, is that you can trend what is your wear on the vessels. So year on year you can trend and see what is your true condition and thereby plan remedial action before you have failure. That is the whole point of it. So having not done it, yes, you put yourself at somewhat of a greater risk for those areas that are not normally accessible when under normal operating conditions. So yes, by extension, you

would do your preventative maintenance according to your computerized management system and those are being done.

In our submission we indicated the amount of it that has been done and it is as much as—recently it is over 70 per cent of the task that, by routine, are done. Those that are not done are those we cannot do in service. We have to take the vessel out of service to do it and hence they are not done and hence the great challenge with the other aspects of maintenance.

Currently we do have a team. In June of this year we were able to come up to speed with the numbers or the personnel identified according to our proposed structure for the maintenance. Since then we have able to improve. We have had great improvements on what we have done. We have employed additional persons for what we call a night maintenance team and they are the ones who really do the maintenance. The persons operating the vessels, we have chief engineers and other engineers who are certified as competent to operate the vessel. They discern what problems they have from operating the vessel. They are the ones who leave the instructions for the maintenance and the maintenance is undertaken by night maintenance teams. So the maintenance is ongoing. Persons assure the management team support the shipboard crew and the night maintenance team by their request for services, spares, et cetera.

Mr. Mark: Thank you very much. Mr. Chairman, just one question.

Mr. Chairman: Member, member. Member Paray now wishes to ask a question.

Mr. Paray: Thank you very much. Ms. Lewis, just for clarity, your organization is a specialist unit at the Port Authority, the operations of the Port Authority. Is that correct?

Ms. C. Lewis: The Port Authority of Trinidad and Tobago is, but all of those units are under one organization under the umbrella of the Port Authority of Trinidad

and Tobago. It is akin to departmentalization.

Mr. Paray: So it is like three business units inside the same organization.

Ms. C. Lewis: Yes.

Mr. Paray: Okay. This particular unit, are you accountable and responsible for the delivery of a world-class and first-class ferry service and cargo service to Tobago?

Ms. C. Lewis: Singularly no, because they are different links to the chain. So once everything works well then that would be the output.

Mr. Paray: In terms of the operation, the day-to-day operation of the ferries, does that fall within this unit's remit?

Ms. C. Lewis: Yes, it does.

Mr. Paray: So, depending on how well your team do your work we can deal with a number of issues that the people of Tobago face on a daily basis.

Now, earlier on Sen. Khan made a very important point that the root cause of where we are today stems from the untimely departure of the *Super Fast Galicia*, issues with Magellan and the removal of Bay Ferries, and so on. What I understand from the last day and a half so far is that there are a number of different agencies that are involved in the decision-making process for all of these things and you may not have your hands to decide who goes where and what goes how. You have to work with what you are given. Correct?

Ms. C. Lewis: Basically.

Mr. Paray: In your view, if things had happened differently and the changes that occurred within the last 12 to 18 months, and I want to go specifically into the issue around the ferries. What, in your view, should have been done differently, taking in fact that you may not have had control on the decisions? But in your view, what could have been done differently that would not have put us in the position that we are here in today? I would allow you to answer that question.

Ms. C. Lewis: In my view, the first issue which, if it was addressed, we may not have found ourselves here would have been the issue of the 18-month contract.

Mr. Paray: What specifically on the 18-month contract, may I ask?

Ms. C. Lewis: From my interaction with the Intercontinental what they were conveying to the Port Authority is that the owners of the vessel wanted a signed contract and if they did not have a signed contract then they were going to prepare to reposition the vessel because they were looking at offers elsewhere.

Mr. Paray: Just put a pin there for one second. In the previous conversation Sen. Khan alluded to the fact of an 18-month contract. Mr. Gonzales did agree, as far as I can recall, and then there was a breach of a contract and I think the Minister at one point in time was on the media talking about how he got advice from a real Senior Counsel and there was a breach of contract and so on.

In reading the documents that were submitted to me, I saw a number of letters from Mr. Powell on numerous occasions, identifying to both the port and the Minister and the Ministry, and so on, that listen, you all told me that you all are going to give me a charter agreement for 18 months and look we “doh” have any paperwork in place but the owners of the vessels “dey like we” and they are being lenient, but look we want the document.

Just as a point of clarity, is the charter agreement a different document from a contract?

Ms. C. Lewis: The charter hire agreement is the contract.

Mr. Paray: It is the contract.

Ms. C. Lewis: It is a standard form, a BIMCO, for a time charter.

Mr. Paray: So Sen. Khan made the point that there was a contract. Mr. Gonzales said there was a breach of contract. Mr. Powell is saying, listen where is my charter agreement? And he is asking, by way of letters, numerous: “What all yuh

doing me? Ah going back to the owners of the vessels and saying it coming, it coming, it coming and nothing eh coming.” And if I do not present an 18-month charter agreement, “de people want back dey vessel”.

So, in my mind, after a series of communications between the port, the Ministry, Tobago people and saying “aye, we going and get ah 18-month extension on the *Galicia* and all would be fine, something went wrong, having Miss Forde to issue a note and say “Ay, scrap X” and that happened in a matter of five or six days from the documents that I have.

So you are quite right and I agree with you, and I agree with Sen. Khan, that the bungling of dealing with the *Galicia* has us here today. And if I am to read what you were going to say is that perhaps if the *Galicia* matter was handled differently, as one of your points, we may not have been here today.

But what is confusing to me is why is there one conversation that there is a breach of contract, and several people who spoke earlier on today, nobody could say where that contract is. Have you seen an 18-month charter arrangement for the *Galicia* in your two offices, the office that you hold at the port? No.

Ms. C. Lewis: No.

Mr. Paray: And no documents here that I have received in front of me has a copy of a contract. So I want to ask, what contract has been breached for 18 months, on an 18-month contract? Where is that contract? There is none because there is no charter agreement and more so, why, after everybody agreed, Ma’am, and I am supporting you here. Because I am saying if the initial conversation was to “leh we extend this thing for 18 months while we go and we will figure out who need to change, who need to do, we would go and find vessels all over the world, we may not have been here today. So I agree with you on that point and I would allow you to continue. Should not be too long.

Ms. C. Lewis: Okay, so let me just go quickly. I was in attendance in April. I think Christine Sahadeo, she made an error and she said I was the General Manager then but I was not—I am substantively the Deputy General Manager but I was in attendance at the meeting in April at the Ministry. We had several meetings with Minister Hinds and represented there at most of the meetings would have been the Deputy Chairman of the Port Authority then, the Chairman, Christine Sahadeo, Mr. Grant who was acting GM at the time, Minister Hinds, the PS and myself. And basically it was the view, as it was the leadership of the port was present, and there were discussions as to how we move forward, and in the final analysis, in the last meeting, when we decided on the 18 months, Ms. Sahadeo was absent but the Deputy Chairman was there.

3.45 p.m.

And there was consensus among all present that we would offer the 18-month contract and the port was directed to issue the letter. We did issue the letter. But what happened, they had asked the port to provide the Ministry that is, sorry — had asked us to provide information with respect to the *Galicia*, and what we were advised is because there was—and I am responding to this contract, the notion of the contract—is because there was offer and acceptance in law it constitutes the elements of a contract. But however, in the maritime world what the owners want to see, or even the agents, is the signed Charter Party Agreement, which they did not have, so the owner of the vessel said I do not have a signed Charter Party Agreement so I am going to take my boat.

Mr. Paray: So let me ask you this just quickly. Because of that Mr. Powell as the agent here takes the position, listen I have dragged this thing along long enough

and I cannot go beyond that. The owners of the vessel are breathing down my back and I have no brief for Mr. Powell, I do not know what the man looks like. I am speaking from the documents that I have read. The impression that I am getting, so far, about the *Super Fast Galicia* and Mr. Powell and his interaction is that it is his fault. It is his fault because “he take away the *Galicia* from we, and is he that have we in the position here today”. And that this is not the sense that I am getting when you read the documents and I know many would not have the luxury of having to read 600 pages like we have done. But the *Super Fast Galicia*, I read one of the challenges that they had was an issue with the draught, the depth of the draught and issues with the Hyatt and so on. A decision was made with reference to the *Cabo Star* and the question to you, Ma'am: Did the change of vessel solve that problem?

Ms. C. Lewis: In terms of the Hyatt?

Mr. Paray: The Hyatt, the draught and so on.

Ms. C. Lewis: In terms of the Hyatt, even with the *Galicia* we arrived at a solution, whereby the captain would do a different manoeuvre so that the Hyatt did not have that vibration any more. So that was taken care of with a different manoeuvre.

In terms of the draught the problem was not solved because, the solution to the problem was to have the dredging done. The dredging—this whole question and conversation, with respect to the dredging is spanning several years. I think as early as 2013/14 anywhere around there. The conversation of the dredging has been ongoing. We have had in the last board a lot of interference by the

Chairman—back Chairman—where she felt that we should not do the extent of the dredging that we ought to do and a conversation of maintenance dredging, but you can only maintain what you have. If you do not have the depth you cannot maintain it.

So Christine Sahadeo felt that we should do maintenance dredging and she was totally annoyed as well with the management when we invited persons to tender for the dredging. Because she felt we should have included KALCO and the management did not agree, because KALCO had no expertise in doing that scope of dredging. But she wanted us to do a reduced scope. The management felt no, we needed to do the proper scope, because it was for future and it is for— because we saw in the market that the vessels were coming with that type of draught. It made no sense going with a reduced dredging.

So you had a lot of interference at that level from Mrs. Sahadeo. In terms of the dredging and with the *Galicia* as well. Because it was agreed and then she tried to turn it around and she wrote personally to the Minister. And she was always behind the scenes going counter to the management.

Mr. Paray: Okay, I want to move very quickly, because I do not want to take up too much more time. So the draught was not an issue for the change. The cost, does the current vessel cost the taxpayer less than the *Galicia*, as far as you are aware?

Ms. C. Lewis: No.

Mr. Paray: So, it is not the draught, it is not the cost. What in your opinion, being a professional in your organization, could be another point or two that may have caused a decision to be reversed, that that 18-month contract would not have been

honoured? Anything that you would like to probably presume on that?

Ms. C. Lewis: It would just be conjecture. So I would not venture there—

Mr. Paray: So there is nothing in your professional opinion might cause to say well look this thing cannot work?

Ms. C. Lewis: What thing exactly?

Mr. Paray: That this vessel we cannot go forward with this 18-month contract.

Ms. C. Lewis: What, the *Galicia*?

Mr. Paray: The *Galicia*, which could have solved the interim problem while we fix the bigger problem. Because I am trying to figure out why in five days—

Ms. C. Lewis: Nothing comes to mind, because it was deliberate. We had a series of meeting and it was deliberate. We contemplated everything, it was deliberate. We looked at one year and then we said, one year may not be sufficient to do all that was involved to get a ferry for the three-year period. And so therefore we would look at an 18-month. Which would give enough time to go out to tender—search the market properly. Do the evaluation and everything and have the vessel in place by October when *Galicia* would have departed. So it was a conscious decision, well thought out to say okay, 18 months, let us offer them the 18 months.

Mr. Paray: Last question, Ma'am, sorry. In your opinion why was not a charter agreement put in place to solidify your—that conversation that you said that you had and it was deliberate and you spent so much time and decided one year is not enough. Why was a charter agreement not put in place?

Ms. C. Lewis: I do not know, the Port Authority did a draft Cabinet Note, it was sent to the Ministry.

Mr. Paray: So a Note was sent to Cabinet.

Ms. C. Lewis: A draft was sent from the Port Authority to the Ministry.

Mr. Paray: To the Ministry, but there is—

Ms. C. Lewis: And we do not know what happened after.

Mr. Paray: It shut down at the point of the Ministry, as far as you are aware. All right, thank you.

Ms. C. Lewis: I just want to clarify something else that was said yesterday and it was again said today. In terms of a five-year contract and something having not gone to the board, and management on its own went ahead on a frolic of its own and decided to send to the Ministry, suggesting that they will just— “please Ministry could you give them a five-year contract”. That is not what took place. I have extracts here from the meeting where Mrs. Sahadeo and several members of the board were present, management did submit the paper. It was tabled at the board meeting, and the recommendation went from the management when the whole question of the 18-month contract and the owners were pressing for their vessel.

Mr. Powell, he did send several letters to various persons and the management at a meeting of the board was mandated to meet with Mr. Powell—I have the extract from the board meeting as well—and we were mandated to meet with Mr. Powell and come with a recommendation to the board before they made a decision. We did just that and we sent a recommendation to the board saying it made sense we did not have a vessel and it made sense. Let us look at offering the three-year contract with an option to renew for “one year, one year”, an option as

we all know could be exercised or it could be closed out.

It was not five years; the management did the recommendation after they met with Mr. Powell. The board agreed with the recommendation, and management was directed to communicate that to the Ministry and we did. And I have all the documents, so I am concerned that it is being suggested that this rogue management went on its own to write the Ministry so I just wanted to correct the records.

Mr. Paray: Can you make those documents available to us?

Dr. Francis: Madam CEO, good afternoon.

Ms. C. Lewis: Good afternoon.

Dr. Francis: You sit here as the head of the—the CEO of the Port Authority and the titular CEO of course of the sub-entity which is the Inter-Island Transport Company. By arrangements under law you are required to take instructions from the board. Is that the case?

Ms. C. Lewis: That is correct.

Dr. Francis: Okay, then I will add a comment that perhaps it is not proper for you in that capacity to make denigrating statements about a former Chair, who is not here to defend herself.

Ms. C. Lewis: Okay, but that former Chair was allowed to make denigrating statements about the management yesterday when we were present, so it is not a one-way street. It has to be a two-way street.

Dr. Francis: But you were afforded the occasion to answer—

Ms. C. Lewis: And I am not making denigrating statements either. I am speaking

the truth about the Chair; as a matter of fact, when member Mark read out a letter which Mr. Grant did complaining about the Chair, what member Mark did not know was that there were two other letters of complaint on the behaviour of Mrs. Sahadeo, because she was operating as an executive chair, she was calling management to meetings to the exclusion of the General Manager. She was changing Minutes. All of what Commissioner Ferreira, former Commissioner Ferreira, said about Mrs. Sahadeo was true.

I wrote the Minister as well, as one of the accountants complaining about her. So I am not making denigrating remarks. I am speaking the truth about Mrs. Sahadeo.

Dr. Francis: Short of documents to substantiate such.

Ms. C. Lewis: I have all of it if you wish.

Dr. Francis: Well you can furnish that to the Committee, we will appreciate it. Thank you.

Ms. C. Lewis: I will provide it. You are welcome.

Mrs. Jennings-Smith: I want to get some clarification. Who signs off on contracts for a particular vessel, is it the Port Authority or the PS in the Ministry of National Security?

Ms. C. Lewis: The PS, I heard what the legal officer of the Ministry said and they did suggest that to the Port Authority as well. But as far as I can remember, all the contracts are signed by the PS.

Mrs. Jennings-Smith: I remember the whole question of the dredging. I hate to bring it back up again because—can you tell me the difference with respect to the

contractual arrangement with the *Ocean Flower* as opposed to the *Galicia*? Does it have in that contract a portion for the maintenance of that vessel? Example, I am referring now to the same contract that you have existing with the SWWTU. Is there provision for the contract that exists with the SWWTU with those vessels to engage the new vessel that we now have?

Ms. C. Lewis: Well, I think you have a little mixture there. Because you mentioned maintenance and you mentioned SWWTU. In terms of the *Ocean Flower* and the *Cabo Star* the maintenance is the responsibility and for the cost of the owner. The Port Authority is not responsible or we do not provide the financials, the funding to do maintenance for any of the charter vessels.

Mrs. Jennings-Smith: Because I really do not know, so I am trying to find out.

Ms. C. Lewis: Right, so in the charter-hire agreement the owner is responsible for the maintenance of their vessels. What we do is we provide a safe berth for the vessels to come here we will provide berth occupancy, berthing and unberthing. We need to have a safe berth here, but they pay and they employ persons to do their maintenance once it is a charter.

Mrs. Jennings-Smith: So the hotel—

Ms. C. Lewis: In terms of SWWTU, it is a hotel and catering contract. Which is separate and apart from the maintenance of the vessels.

Mrs. Jennings-Smith: So would that, that particular arrangement would it be translated now to the *Ocean Flower*.

Ms. C. Lewis: There is—*Ocean Flower* has been cancelled.

Mrs. Jennings-Smith: No, the other vessel.

Ms. C. Lewis: If you mean the *Cabo Star* the Port Authority staff is on *Cabo Star*.

Mrs. Jennings-Smith: So therefore that particular arrangement we have with *Super Fast Galicia* with the hotel catering arrangement, it no longer stands.

Ms. C. Lewis: No, I think that was a month to month.

Mrs. Jennings-Smith: No I am just asking if it stands.

Ms. C. Lewis: We had Port Authority persons on the *Galicia*—totally. The *Galicia* was the Port Authority staff as well in hotel and catering.

Mrs. Jennings-Smith: So am I to understand that those persons who were employed will no longer be employed?

Ms. C. Lewis: Which persons with —

Mrs. Jennings-Smith: With the hotel and catering arrangement.

Ms. C. Lewis: From where the Port Authority, or from the—

Mrs. Jennings-Smith: For the *Galicia*.

Ms. C. Lewis: The *Galicia* is the Port Authority staff so now we have absorbed some of them onto the *Cabo Star* and we have tried to place a couple of them in the regular operations.

Mrs. Jennings-Smith: Under different arrangements.

Ms. C. Lewis: No, you are mixing it up. If you are asking about the union company—

Mrs. Jennings-Smith: Yes.

Ms. C. Lewis:—they are on the fast ferries.

Mrs. Jennings-Smith: Yes.

Ms. C. Lewis:—which is separate and apart from the *Galicia* and the *Cabo Star*,

cargo ferries. The union contract is for the fast ferries only.

Mrs. Jennings-Smith: Okay, that is what I wanted to clear up.

4.00 p.m.

Mr. Khan: The Intercontinental Services Limited, they were an agent or a broker, what is the proper term for that?

Ms. C. Lewis: Actually, they were neither, because if you look at the charter party agreement, which I only scrutinized really closely recently, in the box that says owner/disponent owner you will see Intercontinental, which simply means a disponent owner is not the actual owner with title. It means somebody has leased a vessel from the actual owner with title and then they have leased it to somebody else, and you could sometimes go like three steps down. So to my mind when I read that, legally, based on the charter hire agreement they were disponent owner.

Mr. Khan: Okay. Because the Ministry of Works and Transport was recently here a couple hours ago. The director of the legal services indicated, largely because of offer and acceptance that a contract existed in law, which you corroborated.

Ms. C. Lewis: Yes.

Mr. Khan: And that contract existed between Intercontinental as the— what?

Ms. C. Lewis: But they—

Mr. Khan: No, no, hold on.

Ms. C. Lewis: Yes.

Mr. Khan: Whatever the arrangement between the Port Authority and Intercontinental, it matters not to the Port Authority who the actual owner of the vessel is.

Ms. C. Lewis: No, it does not.

Mr. Khan: So the contract in law is with Intercontinental with the port.

Ms. C. Lewis: Not the port, with the Ministry.

Mr. Khan: Well, the Ministry. And the Ministry is claiming that the hurried, withdrawal of the *Super Fast Galicia* was a breach of contract. It matters not what the reasons are, whether the owner recalled his boat. The owner recalling his boat is a private arrangement between Intercontinental and the actual owner of the boat, am I correct?

Ms. C. Lewis: Yes. It has nothing to do with the contract that the Ministry entered into with Intercontinental. So you seem to have taken the position that the whole arrangement of the supposed contract was flawed because a charter party agreement was not actually signed, and taking a position on behalf of the owner that the owner was entitled to recall his vessel because of no charter party agreement signed, and that to me, as somebody representing the State's interest is untenable.

Ms. C. Lewis: Well, I do not agree with you because I have not taken any position. I was asked a question—

Mr. Khan: You clearly took that position there.

Ms. C. Lewis: I was asked a question in terms of the contract and I sought to explain that the Ministry was more than likely, based on our conversation talking about the offer and acceptance, and I said that based on communications we received we were advised by Intercontinental that the owner—I was saying what I was aware of. I took no position on behalf of Intercontinental, so I want to clear that up.

Mr. Khan: Another issue that you raised with the board and the management on this so-called communication that came from the port's

management to the Ministry of Works and Transport vis-à-vis a three-year contract with an option to renew for two additional years. Yesterday the board of the Port Authority, the former board, chaired by Sahadeo, and it included Mr. Ferdinand Ferreira, they both concurred that no such decision was taken. Okay? Now, you are claiming a series of meetings where this was taken and you all were instructed to write on behalf of—God alone knows who.

Well, I just want, in terms of governance and state enterprise governance, the authority of the board, there is nothing like a chairman's decision, the board only has authority collectively as a unit called the board. There is no commissioner's decision, no commissioner independent of a board meeting and a board minute could instruct any member of management to do A, B, or C. In terms of state-sector governance, that is our board, a board has no—its power is only in its collective decision. Okay? So if there are no board minutes or no board resolution that has been tabled and confirmed, we have go with the position that these decisions were never made. On what basis did the port management write to the Ministry of Works and Transport articulating a position that the board now denies?

Ms. C. Lewis: Well, the board can deny it if the board wishes. However, based on our records, I have the extract where we were advised to meet with Intercontinental. I have the extract of the—the minutes would not have been confirmed because the board was fired, so the minutes would not have been confirmed after, but I have the unconfirmed minutes done by the port secretary. There are several members of management who could corroborate what had happened, and the board agreed that we

should accept. It was tabled, I have the document here. It was tabled. It went to the Ministry. All that was done is a covering letter went to the Ministry and saying, this is the paper which went to the board, which the board agreed. We have the date of the meeting that took place. We have all the signatures of the persons who were in attendance at the board meeting. So it is not that we are saying that it took place; it took place and it is fact.

Mr. Khan: But a decision is not valid in corporate law unless it is minuted and the minutes are confirmed. At the level of the Cabinet—

Ms. C. Lewis: With all due respect you are trying to be technical because the board went out of office.

Mr. Khan:—no decision is valid unless the minutes are confirmed. I am just telling you procedurally.

Ms. C. Lewis: Okay.

Mr. Khan: These are the things that happen. Now, if based on the circumstances, therefore, people took decisions with the common knowledge that it is there and all the authorities would be corroborated, and what have you, that is beside the point. But what I am saying when you start to come where the parties involved are sort of denying, clearly frontally, your position is diametrically opposed to the position of the board.

Ms. C. Lewis: It is not my position, it is based on the records of the Port Authority.

Mr. Khan: Ma'am, what I am telling you the board has articulated a position here on the records, you are saying something—

Ms. C. Lewis: And I am correcting it because I have the documents to

support what I am saying.

Mr. Khan: I know, nobody says, no; you can forward the document to us, but what I am saying is that when two diametrically opposed opinions and positions are so articulated there is only one way to adjudicate over that, and it has to go with evidence and what is valid—

Ms. C. Lewis: Well, I have the evidence.

Mr. Khan: So, please provide the evidence to the Secretariat and we will review it.

Ms. C. Lewis: And I want the Committee to note that the board went out of office. The minutes, like other minutes, were not confirmed, and the board went out of office. Furthermore, we went to a meeting at the Ministry on February the 13th with Minister Sinanan and members of the board, because they were still there then. Mr. Sinanan was presented the document. Mr. Sinanan opened the document and started to say, nobody was going to hold a gun to his head, and the person, some other utterances like that—

Mr. Khan: Ma'am, I am not asking you what transpired with you and Minister Sinanan.

Ms. C. Lewis: So I am trying to explain, if you would allow me to explain.

Mr. Khan: I just made a point. *[Interruption]* Hold on, please. I am asking the questions here.

Ms. C. Lewis: Well, I am answering.

Mr. Khan: Please. I just asked you that there were diametrically opposed opinions and views as to what transpired, and the only way we can adjudicate as to what really happened is that we must have

documentary evidence. I do not want any more hearsay, so if you have the evidence—

Ms. C. Lewis: I am not giving you hearsay.

Mr. Khan: Not hearsay, but please, provide the documentation to the Secretariat.

Ms. C. Lewis: And I have already offered to provide it.

Mr. Chairman: May I intervene here? Whatever documentation you have, please submit it to the Secretariat.

Ms. C. Lewis: Certainly.

Mr. Chairman: Do you have any further questions, member Khan?

Mr. Khan: No, I am fine.

Mr. Chairman: Okay, I wish to take this opportunity to thank Trinidad and Tobago Inter-Island Transport Company for providing us with the assistance you did this afternoon, and to again caution that if there is need you may be recalled. Okay? So, again, thanks for your contribution, and I will now invite the General Manager to make her brief closing statement.

Ms. C. Lewis: Thank you, Chairman. I really appreciate the opportunity to be able to come here and share with the Committee some of the facts that were missing from the deliberations thus far, and I feel if we are asked to come and speak to certain issues with respect to the sea bridge, we should be allowed to speak freely and not be cut off by your members, because the public, Trinidad and Tobago, the listening public, those that are looking on, and the citizens, the people of Tobago need to know the truth. And I was seeking to bring the truth forward, notwithstanding attempts were being made to shut me down. But I thank

you nonetheless on behalf of my team.

Mr. Chairman: And thanks for your contribution this afternoon. We would now suspend the meeting for 10 minutes so that our staff could, you know, have a short coffee break. We will resume in 10 minutes.

4.10 p.m.: *Meeting suspended.*

4.25 p.m.: *Meeting resumed.*

BRIDGEMANS SERVICES GROUP LP

Mr. Andrew Purdey Vice President

KEN SHIPPING & MARINE SERVICES LIMITED

Mr. Lester Kenny Managing Director

SEAMEN & WATERFRONT WORKERS TRADE UNION

Mr. Michael Annisette President

OTHER STAKEHOLDERS

Ms. Nyree Alfonso Attorney

Mr. Alfred McMillan

Ms. Natasha Clarke Chief Cook, T&T Express & Spirit

Mr. Chairman: Good afternoon, welcome. We are resuming the Second Session of the second public hearing of the Committee, pursuant to the Committee's enquiry into the Trinidad and Tobago Inter-Island Ferry Service, with specific focus of the procurement and management of the ferries. Just by way of reminder, the objectives of the enquiry are:

- to understand the current state of the ferry service in Trinidad and Tobago;
- to examine the policies and procedures used to acquire ferries and to ensure that value for money is obtained;

- to determine whether due diligence governed the conduct of all aspects of the maintenance and management of the provision of the sea bridge service; and
- to determine the changes and challenges with respect to the maintenance of ferries.

This, of course, is done against the overall background of our enquiry into the Inter-Island Ferry Service, with specific focus on the procurement and management of the ferries.

I would now introduce for those of you present, and to our viewership and listenership of my Committee.

[Members of the Committee introduce themselves]

Mr. Chairman: Just for the record, I will invite the guests present, starting at left, your right, to introduce themselves, and then the questions would begin.

[Introductions made]

Mr. Chairman: I just wish to assure you all that you are protected by parliamentary privilege, so feel free to be candid. And some of you, I understand have your attorneys present, so please feel free to avail yourself, you know, of the consultations, the advice they may provide. I also wish to alert you to the fact that you may be subject to be recalled given whatever other evidence or submissions that would be made by other people who appear before the Committee. So that it is possible that you may be recalled, but we would try to give you as much advance warning, because we know that you all have a busy schedule in your private and business lives. So I will now open the floor to our members

for questions. I recognize Sen. Mark.

Mr. Mark: May I welcome everyone. May I ask Mrs. Nyree Alfonso, statements have been made about your role at the level of the Port Authority involving the *Super Fast Galicia* where it has been stated, and I believe that there are some documented evidence to support it, that you are both legal advisor and agent, which is conflictual, and in those circumstances it presents an untenable situation for the country. I believe that you are here now, you must have been following the proceedings here, and this is the opportunity for you to clear the air on some of these very, I consider it to be very serious allegations that have been made, and you need to clear the air on these matters, and either confirm what we have been advised or deny and give us some proof of whatever you are denying. So I would like you to really bring to the attention of this Committee the real story behind your involvement with the Port Authority and your role with the *Super Fast Galicia*.

Ms. Alfonso: Through you, Mr. Chairman, in response to Sen. Mark's question, my role in the Port Authority was that between the years of 2011 to 2015 I provided certain legal advice and consultancy services to the authority. With regard to the *Super Fast Galicia*, during the course of that assignment we had a situation where the *Warrior Spirit*, which is the previous cargo vessel to the *Super Fast Galicia*, had significant mechanical difficulties and she, for a long time, was working on one engine which would elongate the trip to Tobago anywhere between eight and 12 hours, from my recollection.

The owners of the *Warrior Spirit* signalled an intention to send the vessel to dry-docking and for repairs, not necessarily when, not

necessarily for how long, and, therefore, there was a stipulation, which the Port Authority had attempted to implement, which is that the owners of the *Warrior Spirit* would use their best endeavours, that is the exact words, their best endeavours to find a replacement vessel. When requested to produce said replacement vessel during the repair of the *Warrior Spirit* the owners indicated that there was nothing available on the market.

That having been said I was summoned into a meeting of the Port Authority with management, with members of the board, on December 30, 2013, and asked if I could assist, on an emergency basis, to locate a vessel. And I did so, and within a 10-day, or so, period with the assistance of international brokers I was able to find six or so vessels which appeared to me, based on the information I got from Mr. Leon Grant, to meet the specifications of the cargo route. But my role was truncated at that point in the acquisition process, because the Central Tenders Board, I am told, I had no conversation with anybody from the Central Tenders Board, but I received information from the Port Secretary, Ms. Forde at the time, as well as the, I think it was Acting or Deputy Chairman, that the Central Tenders Board had indicated, notwithstanding the emergency that the port felt that they had, that some form of tender process would have to be undertaken by the Port Authority and it would be on a select basis.

And at that point I did exit the process, but I did ask what would transpire with these, from my recollection, six vessels that had been procured, mainly four of which had been by one broker who is located in Gibraltar. And the response I got from the Port Secretary, who I know, at

least from my tenure, with my time with the board, with the port is the person who is responsible for—what should I say—arranging the tender process, to produce the documentation, to send out the invitation. The Port Secretary has traditionally done that at the Port Authority. So the indication from Ms. Forde to myself was that the broker who had been successful in locating those vessels, notwithstanding the change in process, the change in the procedure, that broker would be allowed to tender with other persons who would be invited by the Port Authority. I cannot tell you to this day who are all the persons that an invitation went out to, but, as I said, I am told from the newspapers within recent times it was nine; nine persons and entities were invited to tender, and that a tender did in fact go out.

Mr. Mark: Yes, but did your company, we have been advised that your company was invited to tender. Is that true? And did you tender?

Ms. Alfonso: Well, it is correct that I was invited. I did receive a tender package, I think between the 20th and the 21st of February, 2014. I did immediately call Ms. Forde and indicate, you know, why it is that a tender package had come to my office, my legal office, and she indicated it was by mistake or in error, that that was the tender to have been sent to the broker in Gibraltar, not myself.

Now, just to say briefly, the tender package will contain, just as I have heard here in the proceedings before the Committee, contains industry experience, you know, there are certain requirements I think a tender would have to meet; one of them in industry experienced. I may have experience in maritime law, but I do not pretend to have experience in managing a vessel of any form, whether fast ferry or cargo vessels. So

I declined the invitation to tender, and I asked again from Ms. Forde, would that tender be sent to the broker, because I had provided the particulars in open, in the Port Authority of that broker. I do not recall what the answer is, that is the honest truth, but I felt that certainly it would be redirected if it was not intended for me then it would be redirected to somebody, and it would not be me.

I did take the step so I would not avoid that of communicating with the broker and telling them that the package that I had informed them would be coming to them had in fact come to me, and here is a copy of it by email, the Port will be communicating with you further. So I did not tender. I put in no tender arrangement. I do admit I have heard, through you Chair, Sen. Khan referred to my relationship with Intercontinental as an agent—I am not sure if I am their agent, or they are my agent, I am not certain but I see a relationship of agent somewhere there. Intercontinental is a longstanding client.

I made no attempt to hide that in the Port Authority, so was the company that provided the barge for the loading of the *Super Fast*. It is not that I gathered my friends and family around and gave them a “bligh”. It was not anything like that. It was that I have been doing maritime work in Trinidad for about 24 years, so there are a lot of industry players who are either been sued by me, or have been my clients, or are my clients, and, therefore, as I said, you would find in any given scenario I will, as we say in Trinidad, bounce up my own clients. But I made no attempt to hide that Intercontinental, who eventually tendered, were in fact my client. Now, the conflict—

Mr. Chairman: Now, we get your point, Mrs. Alfonso, next question.

Mr. Mark: May I ask Mr. Purdey, Mr. Purdey, you are the Vice President of Bridgemans?

Mr. Purdey: Yes, that is correct.

Mr. Mark: Could you help this Committee by saying, or advising which agency or entity in Trinidad and Tobago would have constituted your first contact when you sought, on behalf of your company, to issue some expression of interest as it relates to the provision of vessels for the sea bridge, Scarborough, Port of Spain, vice versa, what is your first point of contact in Trinidad and Tobago?

Mr. Purdey: Yes, I will answer that in a moment, I would just like to make an opening statement that I am very glad to be here, I am here on a voluntary basis, and I am very glad that I have the opportunity to outline the facts of our company and the association in this process. So our first contact was April 10th from an international broker identifying that there was a project here that could be responded to.

Mr. Mark: What is the name of the international broker?

Mr. Purdey: Horizon.

Mr. Mark: Are you aware that the Port Authority has denied that they had any contact with a company by the name of Horizon?

Mr. Purdey: No, I am not aware of that.

Mr. Mark: Are you aware of the fact that the Port Authority has said that the first contact of your organization was through the Ministry of Works and Transport?

Mr. Purdey: I have a record of when our contacts were very accurately outlined. Our initial start-up was with the agents and that is how our 80 per cent of our work is done globally, agents contact us with

opportunities and we work with the agents to develop a submission.

Mr. Mark: When did you have contact with the Ministry of Works and Transport?

Mr. Purdey: Our first official contact was May 11th.

Mr. Mark: Where are your offices is located?

Mr. Purdey: Our operational office is located at Melville Street, Vancouver. Our corporate offices are at our legal firm, which is Norton Rose Fulbright.

Mr. Mark: Could you outline the names of the owners and/or directors of your companies? That is, both the Bridgemans Trinidad Services Limited, and your parent company.

Mr. Purdey: Yes. The owners are the same that we have been talking about since we are started this project, it is Andrew Purdey, myself; Brian Grange, Larry Thompson, Peter Kuttel and Paul Cheung.

Mr. Mark: Could you tell me if your companies are registered with the Board of Inland Revenue?

Mr. Purdey: I beg your pardon?

Mr. Mark: Could you tell me whether your companies are registered.

Mr. Purdey: Yes, they are.

Mr. Mark: Are they registered for VAT?

Mr. Purdey: I believe they are.

Mr. Mark: You believe. Are your workers registered for NIS, health surcharge?

Mr. Purdey: These are commercial items that our agent can answer.

Mr. Mark: Has your company received tax clearance certificates from the Board of Inland Revenue?

Mr. Purdey: What you are referring to is our activity for our importation of goods and services for our ships, and I believe everything is in compliance with the requirements, because we have successfully imported spares, and we have the *Cabo Star* contract working in full force.

Mr. Mark: I am asking the question whether you have clearance, tax clearance certificates from the Board of Inland Revenue, seeing that your company has an award. You got a contract valued at, you know, millions of dollars, and therefore you must pay taxes, so we want to know if you are registered and you have the certificates.

Mr. Kenny: Mr. Mark, good evening, ladies and gentlemen. That question, Mr. Mark, is basically—I would like to answer for Mr. Purdey. It is customary that a foreign company that is applying for a contract of this, like this one, that the formality of acquiring local registration would be also a good approach as we are dealing with Trinidad and Tobago. And, of course, to answer that question, Mr. Mark, if you could, you may very well appreciate, we have only been in the island for a short period, which is Bridgemans, and trying to understand the laws and, you know, the laws of our land. He is in the process of getting Bridgemans Trinidad Limited formally registered, with local content of course. So to answer that question, we are yet to proceed with opening up of Bridgemans Trinidad Limited.

Mr. Mark: Is that to indicate that at this present time the company, or the group, do not have clearance certificates, tax clearance certificates from the Board of Inland Revenue? Are you working on it, or are you in receipt of it? And if you are in receipt can you provide us with copies?

Mr. Kenny: Well, the contract is with a foreign firm, Mr. Mark, clearly. The idea or the approach was that a local company, a local arm would be a good approach to establish Bridgemans operations internationally as well as locally, and I believe that was the basic intention.

4.45p.m.

Mr. Purdey: To answer your question, we are going to ensure that we are, and in a matter of process we will demonstrate that. I presumed that all was in place, because we are functioning with the *Cabo Star* contract and we believe that we met all requirements. I do not have it at my disposal but I will undertake to make sure it is at your disposal. We have nothing but every intention to operate within the full requirements of the law of this country.

Mr. Mark: When was your company registered?

Mr. Purdey: It was registered in 2013. I have a message here to clarify the background of our company. It is prepared by our legal firm, Norton Rose Fulbright, which is one of the largest international law firms in the world. If I can just get that document. I know that this has been a point of interest for a lot of people for the last 10 weeks. If someone would have just asked me, where are your offices? What is the status of the ownership, I would have gladly provided it. So today I provide you a letter that is outlined by our firm. It outlines the ownership structure, it outlines where our offices are. So this hopefully puts an end to it. It gives the registration numbers and again, the port had all this information so I am very happy to provide all the factuals that we have so that we can put this to an end.

Mr. Mark: Could you tell this Committee what is your experience or your company's experience in the ferry service business?

Mr. Purdey: Yes. Our company is made up of five shareholders and the

shareholders have vast experiences behind the incorporation of the company in 2013. But going forward from our incorporation date, our company has had experience in international delivery of RoPax ferries for a host of clients and a host of services and very complex arrangements, both internationally, like off the coast of Australia, off the coast of Canada, and now off the coast of Belgium. So we have vast experience and we can provide another statement that outlines the projects that we have on the go and ones that we completed with complete success. Plus we have the *Cabo Star* which is currently working for you since the 26th or 27th of July that we believe is working within the confines of the contract.

Mr. Mark: How many vessels do these companies own? Could you tell us when were these vessels purchased?

Mr. Purdey: We own a total of four vessels. One is called the *ELMA*, which is a large oversized barge. It was purchased in 2014. We have the *Blue Fort* which was purchased in 2015 and we have the *Cabo Star* and the *Ocean Flower* that were purchased this year.

Mr. Mark: Now the two former, are they ferry vessels?

Mr. Purdey: One is a RoPax ferry, correct.

Mr. Mark: So you only have one ferry vessel in your fleet.

Mr. Purdey: Yes, it is currently working, yes.

Mr. Mark: How many employees do you have in your companies?

Mr. Purdey: In our direct overhead we have an organization in Vancouver of about six. It includes our financial and operations team, then in our operation we have about 100 across our profile.

Mr. Mark: Do you want to provide us with the evidence of that?

Mr. Purdey: Yeah, I can provide it. I do not have it on me, but I can certainly get it to you and give you the names and the occupations and the responsibilities. It did

fluctuate at one time. We had up to 300 on staff and now we have an overhead of about six that operate our offices in Vancouver. Then we have like you say, our field staff which are operating on the vessels.

Mr. Mark: I have two more questions. Your organization is located as you said in Vancouver and your core business is exactly what?

Mr. Purdey: I beg your pardon.

Mr. Mark: What is your core business?

Mr. Purdey: Our core business?

Mr. Mark: Yes.

Mr. Purdey: We provide ships and ship services to a host of international clients specializing primarily in the delivery of RoPax vessels.

Mr. Mark: Your organization, from reports, seems to be a mystery. Your Trinidad Bridgemans is registered with an organization in Estonia. You incorporated that in Estonia. Is that a fact?

Mr. Purdey: We have a total of 11 corporations. The ones that pertain to this contract are registered in Vancouver.

Mr. Mark: And you are now trying to establish one in Trinidad?

Mr. Purdey: We may, we may. I mean, going back to your tax issue, we need to get to the bottom of that. But like I say, we intend to operate within all parameters of the law of the country and we will undertake to ensure that we provide that to the board momentarily once we understand exactly what your question is.

Mr. Mark: When you signed the party charter agreement or the Charter Party Agreement on the 17th of June, 2017, did you have in your possession as a group, the *Cabo Star* and the *Ocean Flower*?

Mr. Purdey: Yes, under an MOA they were both committed.

Mr. Mark: No, no. Were you in ownership, did you purchase, did you have in

your possession—

Mr. Purdey: I tried to explain to you, Sir. We had an effective ownership through an MOA that had a 48-hour line, so we were going to purchase the ships on execution of the contract. The contract was executed, we purchased the ships and then the ships were demonstrated to be in a full ownership before the contract came alive. I think that is clear record.

Mr. Mark: So you had no ships?

Mr. Purdey: No, we had two ships before we started.

Mr. Mark: So your experience in the ferry business is limited to one ship?

Mr. Purdey: No, no, we have had several ships in our fleet and we have operated them in very challenging conditions with very sophisticated clients, with a great degree of success, so I am not sure where your question is pointing to. And then I can point to the *Cabo Star* which has left on time, on schedule, since it has been here in service and we are very pleased with the contract and we are very pleased with how we work with the Port Authority here. So that is our experience.

Mr. Mark: Do you think that—

Mr. Chairman: Member, we need to move on.

Mr. Mark: All right, I will take a pause here.

Mr. Khan: I want to go back to Ms. Alfonso. Ms. Alfonso, you were an attorney engaged by the Port Authority of Trinidad and Tobago over the 2013/2014 period. Is that true?

Ms. Alfonso: The 2011/2015.

Mr. Khan: Okay, well the whole ambit. I want to refer extensively to an invoice dated 18th of July, 2014. But before I do so, that invoice indicated that at a meeting held on the 30th of December 2013 in which you, the Deputy Chairman of the Port, Mr. Leon Grant, Ms. Sharon Mark and Mr. Selwyn Wong were present. At

that meeting you were given specific instructions to obtain a short-term replacement vessel for the *MV Warrior Spirit*. Is that true?

Ms. Alfonso: I am sorry to be shuffling around. I am just getting the invoice you are referring to. Yes, I have it with me, Senator.

Mr. Khan: Okay. So, do you think it is a tad strange that you are an attorney-at-law and you were given a brief for the procurement of a vessel by a public entity?

Ms. Alfonso: No. I am trying to see what is the strange part.

Mr. Khan: No, you were providing legal services. The procurement is not a legal service. The procurement is not a legal service. This is rank and file procurement. Did you find that brief was particularly strange and whether you were capable of doing it?

Ms. Alfonso: Yes, I thought I was capable of doing it.

Mr. Khan: But you admit it is not a legal brief?

Ms. Alfonso: Well, unfortunately for me the practice of annuity law in Trinidad requires me to straddle both legal issues as well as selling vessels. For instance, that is the same broker network that I utilized. So I do have to have a knowledge of the market and how to sell vessels and where to sell them and that would be the same kind of information if you needed to source a vessel. So it is just the reverse of attempting to get a sale of a vessel.

Mr. Khan: So you think your firm was eminently qualified to undertake that task? Is that what you are saying?

Ms. Alfonso: I thought I had the requisite access to the international brokers that could be done.

Mr. Khan: To justify a sole selective engagement?

Ms. Alfonso: No, well I did not look at it as a sole select. I was told that the

Warrior Spirit was coming off and that it was an emergency and this is what the port wanted. As I have said before, the Central Tenders Board came in and gave their guidance. I believe that is their remit, that a tender process would have to be undertaken by the port, and I say I accepted that entirely.

Mr. Khan: So you went ahead and did some work and you sourced—you said earlier in your presentation, about six vessels or so that qualified?

Ms. Alfonso: Yes.

Mr. Khan: After that exercise, the Port Authority decided to go with a selective tender process?

Ms. Alfonso: Yes.

Mr. Khan: And then for some strange reason, as for somebody who was intrinsically engaged in the preliminary process of engaging that vessel on behalf of the Port Authority, acting as an agent of the Port Authority, your firm appeared as one of the selective tenders on the job?

Ms. Alfonso: Let me try to answer, sort of like from the middle of your question, Sen. Khan. It was not an issue of—I did not think nor was I told, and I have a written retainer from the port. I was not told either in writing or orally by the port that I had the power to procure a vessel or I had the power to engage the services of a vessel or engage the services of a ship owner or an agent or any of those things. I was asked to source vessels, which in my understanding would be the Port Authority as the agent of the Ministry of Transport in those days. They would conduct whatever negotiations, whatever physical inspection of the vessel or determine which vessel out of the six or amongst others they would feel most suitable. I did not think I had that power.

Mr. Khan: But you were intrinsically involved in identifying those six vessels?

Ms. Alfonso: Well I was involved in identifying—

Mr. Khan: You alone were involved in that.

Ms. Alfonso: Okay, but the purpose of coming to the Port Authority with the particulars of those six vessels is that—so that people like Mr. Grant and Mr. Powder could make a determination based on the infrastructure of the port which is within my remit, whether something is big enough, small enough, fast enough, slow enough. As I said that was not my remit.

Mr. Khan: Well then—

Ms. Alfonso: Nor could I contract on behalf of the Port Authority or the Ministry of Transport then.

Mr. Khan: But then how did Nyreen Alfonso and ND Alfonso Limited find its way on the list of selective tenders?

Ms. Alfonso: But just to correct you, Senator, attorneys are not allowed to have limited liability companies. So it is ND Alfonso and Company. It is not a limited company.

Mr. Khan: Okay, I am sorry.

Ms. Alfonso: No problem. I am just correcting that.

Mr. Khan: Yeah, ND Alfonso and Company.

Ms. Alfonso: Right. I tried to put in my first response to the first question from Sen. Mark that the tender came to me. I did not send it to myself. The tender came to me. I understand from my four or so years that I worked with the Port Authority that the function of putting together a tender resides in management. So the actual putting out of a tender process as far as I know resided with the Port Secretary and still does, as far as I know.

Mr. Khan: In other words, you are saying you had no influence in your firm being identified as one of the companies that will be asked to tender?

Ms. Alfonso: No, I did not have any influence. I said to the contrary as I have

stated. I asked, what would happen with the vessels that had been sourced or had been produced, the particulars of which had been produced openly to the Port Authority and I was advised that the broker would be allowed. I am not a broker; I am not a ship broker, it is not a derogatory term. It is a functional part of the maritime industry but I am not a broker myself. But I approached brokers—more than one—to see if there was anything on the market at the time that would suit the temporary needs of the Port Authority.

Mr. Khan: So what you are saying is that you did not think your firm, which is ND Alfonso and Company, was qualified to be asked to be one of the selective tenders?

Ms. Alfonso: I do not think any attorney, well let me just speak for myself. I do not think as an attorney, I could qualify under what I know to be some of the categories for a tender put out by the port. So I would start with industry experience. Okay I have 24 years or so in doing maritime work but that does not qualify me as I said to be a tenderer and to bring a vessel into Trinidad and to put food and fuel and water and crew and so on.

Mr. Khan: So then, obviously you would say you cannot answer why did they invite you.

Ms. Alfonso: And I really have to say, Senator, that that is an excellent answer to your own question. I really would not be able to answer why Ms. Ford felt it was necessary to invite me.

5.00p.m.

However, I did say I called Mrs. Ford and indicated to her why it had been sent to me. I also confirmed later on to the Port Authority that it had been sent to me and that I would not be participating.

Mr. Khan: So at that the point in time you decided to withdraw from the process.

Ms. Alfonso: And I think the wording that was used—and I want to place where Intercontinental is. Intercontinental is the local—I do not know what is the rightest word—correspondent to the broker in question. That broker is located in Gibraltar and its local connection in Trinidad is, in fact, Intercontinental. So if you like, I gave the tender package that I received to the parties whom I believe, and I was told, would be invited, not myself.

Mr. Khan: You did not do that, you know Ma'am. If the Port Authority invited you to tender and you do not want to tender for whatever reason, you cannot hand over that tender to somebody else. That other party was not invited. You are an attorney. You know that.

Ms. Alfonso: Well, Senator, I will ask this question. If I handed over the tender to the parties that I was told would be invited, and for any reason—[*Interruption*] No, could I just finish the sentence? If it is that I did that, and if it was not, in fact, an error as I was told; if I had not been sent that tender in error as I was told by Ms. Ford, then why would the Port Authority and the Central Tenders Board—I am told these were the components of people who evaluated the tenders—why would they accept it?

Mr. Khan: Well, this leads me to my other question. I have a letter here dated 26th of February 2014 addressed to Mrs. Pamela Ford from you, and I want to just read it because it is short.

As you are aware we were invited to tender by the Port Authority of Trinidad and Tobago for a roll-on/roll-off passenger cargo vessel by virtue of a request for tender, dated 19th February, 2014. We, in turn, appointed Intercontinental Shipping Limited to act as our agent.

So that means you are still in the tender process, eh.

Ms. Alfonso: Go ahead, Senator.

Mr. Khan:—to act as our agent for the purpose of presenting the tender with a view of the specific tender requirements for industrial experience.

Intercontinental will also provide agency service for the *Super Fast Galicia*. Because from your original submission, your firm, you think, did not qualify to put out a tender and you were withdrawing from the process and that should have been the end of the story. But you went ahead and legitimately informed the port that Intercontinental Shipping will be acting as your agent, which theoretically puts you still in the tender process. Am I correct?

Ms. Alfonso: No, Sen. Khan. I will say, first of all, that is one of the letters that I wrote. I would say I did not take the normal care that I would usually take in writing a letter to this effect at the material time. I had another issue with another state enterprise at the time that probably clouded my otherwise good judgment. But I did write that letter, but, as I said, having considered exactly what I have written in this letter, I also wrote—or rather, I would have—I referred to—Intercontinental wrote and indicated that I had relinquished my role. So they wrote the Port Authority on the 28th of February, 2014 and indicated that I had relinquished my role.

I also wrote again to Ms. Ford on the 3rd of June, 2014 and I have these letters which I can pass to the Committee—to the Secretariat of the Committee—where I indicated what the final position was, that I had not participated in the tender; that I had contacted the broker in Gibraltar; that I had contacted Intercontinental. They had taken over the tender and I was—this is a letter that confirms what transpired. It is like a status report, in fact.

Mr. Khan: But what “has taken over the tender” mean? Because Intercontinental was never invited by the Port Authority to submit a tender. The reason that their tender was considered is because of this letter indicating that they were acting as

your agent.

Ms. Alfonso: Well, Senator, I cannot say what the Port Authority took from that letter. I cannot say what the Port Authority took from the other two letters I have referred to, the 28th of February, 2014, as well as the 3rd of June, 2014, but clearly there was an indication in those two letters that I had not participated and I would not be participating. And I do admit, as I said, in the hurry—I think it is time to admit mea culpa—in the hurry to divest myself of the responsibility of this tender—whether it came in mistake, whether by design, I cannot say—I do not think I used the right language. I do not think I used language that was precise enough. But I want to think that the subsequent letters which were done with a little more precision are more clear.

Mr. Khan: But in any event you are—I do not want to use the word “incriminating” yourself, but you were backing a horse and the horse was obviously Intercontinental.

Ms. Alfonso: Senator, I would like to say, even if I want to back a horse, then I must have the ability to make sure the horse wins. I did not have that ability because whatever my role was, it stopped at the point where the six vessels were sourced. When the Central Tenders Board indicated that they wished—they instructed. My understanding is they instructed the Port Authority that they must use a tender process. I cannot tell you if they told them what kind of tender process because I held myself outside of that process.

So whatever transpired there, it would be—we have heard here for a couple of days—an evaluation team from the Port Authority probably comprising members of the Central Tenders Board. I do not know. I never asked and I was not asked to play any active part in the procurement of the *Super Fast* or any other vessel until such time as the Port Authority advised me—Ms. Ford again, advised

me—that the *Super Fast Galicia* had won the tender process. It really was not until April of this year, Senator, that I saw in the newspapers it was a selected tender.

Mr. Chairman: I think your point has been made, Ms. Alfonso. Do you have a final question, Minister?

Mr. Khan: Yes, just a final. Is there a beneficial interest to your firm in this arrangement?

Ms. Alfonso: No, there is not, Senator.

Mr. Khan: Okay, so—

Ms. Alfonso: My client at the time, I want to be very clear, is the Port Authority.

Mr. Khan: But I just want to go on the records to say that the fact that Intercontinental's tender was accepted, reviewed and considered to be the superior tender in this acquisition of the *Super Fast Galicia*, was solely based on your letter indicating to the Port Authority that Intercontinental was acting as your agent and you were legitimately asked to submit a tender from the list of the preferred tenderers.

Ms. Alfonso: Senator, I do not agree and I cannot say what would have influenced an entire team. This is a vessel, as I said, that there was an evaluation process; there was a sea trial; there was an inspection by an independent—

Mr. Khan: You could have all that as you want, but at the end of the day—

Ms. Alfonso: But as I said, I do not know which of the factors caused the Port Authority to take bids.

Mr. Khan: The tender involved the selective tender of seven—

Mr. Chairman: I think I need to intervene here, Minister---

Mr. Khan: Just now, let me just finish—seven tenderers and your name was one and the point I am making here---

Ms. Alfonso: I understand it was nine.

Mr. Khan: It is nine, okay, that you—Intercontinental was acting on your behalf as the agent.

Mr. Chairman: Minister, please, I think you have made your point.

Mr. Khan: I have made my point.

Mr. Chairman: And I think she has countered sufficiently so we could decide what we want to extract from the exchange. Member Jennings-Smith, you wanted to—No? Member Paray?

Mr. Paray: Thank you very much again. Welcome to the invited guests. I have some very quick questions for a couple of you all. I will try to be as brief as I can. This question is first to Mr. Purdey. Mr. Purdey, there is something that I have become aware of called standby letters of credit which, I understand it is a tool; it is a mechanism that is provided in contractual agreements when you are leasing or renting, however you call it, vessels in the maritime industry. In your existing arrangement with the Government of the Republic of Trinidad and Tobago, were standby letters of credit part of your contractual obligation? In other words, do you have standby letters of credit issued by the Government of Trinidad and Tobago for the two vessels that—for the purport of the two vessels that you tendered on?

Mr. Purdey: Yes, Vice-Chairman. Were they issued to us or did we issue them to the client?

Mr. Purdey: So there is the existence of two standby letters of credit.

Mr. Purdey: Correct.

Mr. Paray: And with the termination of the—in effect, the information we have from on the media that there was an effectual termination of the *Ocean Flower 2*. Do you still have the possession of that standby letter?

Mr. Purdey: Yes, we do.

Mr. Paray: What is your—would you be willing to share what is your intention?

Because I understand only with your approval can that standby letter of credit be nullified.

Mr. Purdey: There are actually two answers to that. So the first answer is, we are hoping to work with the port and the Ministry of Works and Transport to find a solution as it pertains to the *Ocean Flower 2*, a cooperative outcome, and if there is no cooperative outcome, then we only have the contract to follow and we are just waiting to get more advice and let this process flow and then we will be making a determination in the near future.

Mr. Paray: From media information and from the gist of what is happening in the country here, there is the perception that the *Ocean Flower* is a done deal. It is out of here. Will the taxpayers of Trinidad and Tobago bear the brunt of having to pay that standby letter of credit since that contract has been effectively terminated by the Government of Trinidad and Tobago?

Mr. Purdey: I do not have that information. That is not my responsibility.

Mr. Paray: Are you willing to share what are the values of those two standby letters of credit?

Mr. Purdey: We are under a confidentiality agreement with the port as it pertains to our contract. The port has that information and they may choose to share it with you. But the port does have that information. It is a fundamental part of the contract.

Mr. Paray: No problem, Sir. Last question for you, Mr. Purdey. During my investigation, my understanding over the last two days from the tendering process for Bridgemans Services, I queried on several components of the tendering process, the weighting based on submissions of documents and so on, and I had some concerns under section 7 of the tender document which required your company to provide financial status, company profiles, industry experience,

approach and methods, plan to execute the contract, quality management systems and operation plans. Those things were weighted heavily in terms—your company was awarded full marks for those things, so I assume that your documentation was excellent. I have asked for copies. I have not seen them in the document here. I am wondering if you would be in a position to provide this Committee with copies of only that section concerning section 7 of that tendering process. Would you be willing to provide us with copies of those documents?

Mr. Purdey: The answer is yes, we will, but provided it is within the terms of the contract and the confidentiality. So I am not sure how the parliamentary system works, but yes, we have that information and through the port we would be able to provide it.

Mr. Paray: And last question to Mr. Purdey. Is Bridgemans Services Group a company or a limited partnership?

Mr. Purdey: It is a limited partnership. The details of the corporation have been provided to the chairman and I really would like for you guys to read and understand that so we could put this to bed once and for all. If there are any other questions that pertain to the ownership of our company, how we have funded it, what our financial performance is, what our capacities are, I would like to hear it. It has been 10 weeks we have been here. We have been dragged through the mud by the media and we have ignored it. We focused on our contract. We focused on delivering what our obligations are, and then we only got engaged in the media when we started to realize that actually the Government was responding to the media. As reckless and as damaging as it was, we stayed focused on our obligations to our client. But once we had seen that the Government reacted to this destructive and inaccurate media, we had to start taking steps.

We have tried to attempt to get the clarity out, provide the facts. No one has

come to me until today and said: “Can you tell me the facts?” And I am here to give you all the facts. But I want to bring it to an end, because our reputation far exceeds anything we do here in Trinidad. We are more focused on the long-term success of our company and the damaging effects that we have had here are completely driven by some agenda we have no idea of. So I will stay here all night, all day, all week. I will answer every question you have, and if I do not have the information at my fingertips, attorneys and I will get them for you so you have, absolutely, clarity. And I want to bring this to an end. It is frustrating us and it is not a good way to conduct business for the port going forward.

Mr. Paray: With that being said, will you be willing outside of the requirements of, perhaps, the contract prohibiting you from sharing the documents that I have asked for, just to be clear on what you said that you want this out of the way, will you be willing to submit the documents that I have now asked for, outside of whether the contract would allow it? Yes or no.

Mr. Purdey: I am under contract with the port so whatever the port suggests I am capable to release, we will.

Mr. Paray: Okay, thank you. Mr. Kenny, very, very quickly, one question. From the conversation that I would have been hearing, there is no local registered company for Bridgemans in Trinidad and Tobago.

Mr. Kenny: Yes, that is correct.

Mr. Paray: And you are now in the process of forming one that will satisfy the legal and taxing requirements under the laws of Trinidad and Tobago.

Mr. Kenny: According to the international maritime rules and regulations pertaining to that, it is to say that it is not part and parcel of our requirement. It is—Bridgemans could either do that or they may not. It is not part and parcel of a legal requirement by Bridgemans. It was only proposed as any good proposal. Seeing

that we had gotten the contract it was a good idea at the time to suggest—as you may very well appreciate, vice-chair, we have been literally brutalized by our media and it was suggested via myself that we could incorporate a company to hire local people to kind of inject, let us say, a good relation to the client to which we were desperately trying to please under all the stress that we have been under. And Bridgemans Trinidad Limited partnership came up in a conversation. It was taken out of context, as you may all be aware, and a little exaggerated. So with all the stress that Mr. Purdey just recognized—

Mr. Paray: Let me ask you something. I hear you. I hear what you are saying---

Mr. Chairman: Member, I need to move on now.

Mr. Paray: I have one question.

Mr. Chairman: We will come back to you. Dr. Francis?

Dr. Francis: Thank you for your intervention, Mr. Chairman. Mr. Purdey, Mr. Kenny, in local parlance, straight to the point, very simple question. Does any member of the present Government, any person who works in the Ministry of Works and Transport, anyone concerned with the port, have any particular interest in Bridgemans financial, fiduciary or otherwise?

Mr. Purdey: The answer is absolutely not. Thank you for asking.

Mr. Smith: Mr. Chair, I know we are kind of tight for time so I want to try and get in some other questions for some of the other people that made the time to be here today. Mrs. Clarke—Ms. Clarke?

Ms. Clarke: Ms. Clarke, yes.

Mr. Smith: Thank you for coming and welcome. You had written a letter to the Ministry which was forwarded to the Ministry of Labour and Small Enterprise Development indicating the working conditions of the hospitality staff on both of the vessels. Can you tell the members of this Committee here about those such

working conditions?

Ms. Clarke: The working conditions on the both ferries are disheartening to the hospitality staff, I must say. We are employed without any contract. Since 2005 workers have been there. The Port Workers and Private Sector Manning Limited employees are closely affiliated with the union, the SWWTU. This is a blatant conflict of interest that does not benefit any of us on the hospitality department. Workers are required to work in uniform, however, workers are not given any compensation or anything for the uniforms. We buy our own uniforms.

Our maternity benefits are paid by NIS. The company is not paying our maternity benefits. No regular sick leave or casual leave, no meaningful raise of pay, no gratuity, no pay equity between workers employed with Port Workers and Private Sector Manning Limited. Workers are subjected to long hours of work. This includes weekdays, weekends, even holidays. This is done without any additional financial compensation. Inversely, if port workers, like the Port Authority crew work, their compensation is really nice. I have a copy of it if you all would like to see it.

Many workers are from both Trinidad and Tobago, but most of the workers are from Trinidad. Workers are not paid when they are off, like how the *Spirit* is docked up there, workers go on to work; they are not paid the correct compensation. I do not know how much they are getting paid for it. But at the end of the week when we work, and the next week, like the fortnight, workers go home with like \$800 or \$900. Some workers are afraid to come out in the public because they do not want to be victimized as well. I have been home for seven months now because I am coming out publicly about the situation that is on the both fast ferries under our employer, SWWTU, under the leadership of Michael Annisette. Workers are also not given enough rest time between sailings.

Mr. Smith: And how do you think that this has affected the service provided by your department? How has it affected you all overall, the service?

Ms. Clarke: It has affected the services where the service has dropped. I “doh” know when last you travelled, or somebody for you has travelled, but the service has dropped. The service is not the same. I have met people walking through Port of Spain and they were like, “What going on with the services now, because every week we seeing a new worker, every week we seeing a next face?”

So there is not enough proper training and all these things because a lot of workers are being hired and workers who have been there since 2005 are working one week for the month.

Mrs. Jennings-Smith: Mr. Chairman, with your permission. You speak in a letter that you wrote to us here that—you speak about two letterheads, one is the PWP—

Ms. Clarke: Port Workers Private Sector Manning Limited.

Mrs. Jennings-Smith: Port Workers—

Ms. Clarke: Private Sector Manning Limited.

Mrs. Jennings-Smith: So in the first instance, who were you employed by?

Ms. Clarke: The SWWTU.

Mrs. Jennings-Smith: So why do you speak about the port workers, PWPSML?

Ms. Clarke: Our job letter is from SWWTU and our payslip if from Port Workers Private Sector Manning Limited.

Mrs. Jennings-Smith: Okay. So you have been home for seven months.

Ms. Clarke: Yes.

Mrs. Jennings-Smith: Does it coincide with the vessel that was recently docked for seven months? No?

Ms. Clarke: No.

Mrs. Jennings-Smith: Do you want to tell us why you are home?

Ms. Clarke: Well, honestly, I do not even know because every time I call them to find out—we work on a one week on, one week off, but since March the 16th I have been home, and a few workers have been home as well. And every time I call for work—because we have to go down in the union hall every Wednesday when we off-duty to find out if we working the next week. That has been going on since 2005. We have to go down to the union hall to find out if we make the list to work. So I have been calling in to find out if I am working and every time I call they tell me that I am off.

Mrs. Jennings-Smith: Was there a time when you worked consistently?

Ms. Clarke: Yes.

Mrs. Jennings-Smith: What period was that?

Ms. Clarke: From in 2005 I had worked consistently until September and then we were left home for a month and something, and then we went back out, and then in 2009, January, I was home again until 2011 and then in 2011, I worked consistently until March of 2017. In the 2009 to 2011 situation, one of the supervisors reported that the workers—me and a few others—like to pray. When we come to work on mornings we like to start duty with a prayer. So apparently it seems to be offensive to start the morning before we sail with a prayer. So me and a few other workers—I have the documents. You could call them. They are willing to come in to speak. They are willing to be public with it.

Mrs. Jennings-Smith: Now, I have been made aware that, you know, the SWWTU employed workers to do hotel and catering and I will ask the question to Mr. Annisette—to assist workers—to assist persons who would have been otherwise unemployed. Can you tell us your relationship with your immediate employer? Did you ever have a direct relationship with the head of SWWTU and what was it like?

Ms. Clarke: If I?

Mrs. Jennings-Smith: Did you have any direct relationships with the management of SWWTU, and if so, what kind of a relationship you had with them?

Ms. Clarke: Well, we had a good relationship because a few of us who used to work often, we would support them everywhere. If you would look back from marches, we would support the march; we would support the sports day, we would support everything. And then we get tired because we realize that nothing was changing for the hospitality staff.

Mrs. Jennings-Smith: So your concern today is for the past five months you have been unemployed—

Ms. Clarke: Seven months.

Mrs. Jennings-Smith:—and you do not know who to go to. Have you been to the management of SWWTU to see what is going on?

Ms. Clarke: I called them. The secretary told me that I know why I am off. I say, well, I do not know why I am off.

Mr. Chairman: Okay. We are pressed for time. What I want to propose to the two remaining invitees, which is Mr. Michael Annisette, president of SWWTU, and Mr. Alfred McMillan, we have a session in Tobago tomorrow, and then after that we are meeting on the 18th back at this venue. So what I wish to propose to the both of you is that if you are interested in making written submissions, that you could use that time to prepare those submissions and get it to us three, four days before the 18th so that it could be redistributed to members of the Committee and that you would be appearing before us on the 18th. So you have the option to prepare a written submission. It is not compulsory, but to definitely appear here on the 18th. Do you wish to say something in that regard?

Mr. Annisette: Good day Chair and other members. I prefer to speak from my

heart. I prefer to speak; speak from my heart; speak the truth like “ah” arrow that will come to your mind at the appropriate time.

Mr. Chairman: So that you would return on the 18th.

Mr. Annisette: Surely, I will. It would be an honour to return on the 18th.

Mr. Chairman: Thank you, sir. Mr. McMillan?

Mr. McMillan: Chair, it is regrettable that I have to now come back, but I definitely will. I think, as Mr. Annisette said, I can submit written submissions but I would prefer to appear and questions asked of me. But before I leave, there are three little things that I would like corrected. One is my name. It is incorrectly spelt. Two, my name again. It has been bandied about here quite a lot with a lot of untruths. I was working with Trinidad and Tobago Pilots Association from 1998. It was said here in this room that I did the final dry docking, a disastrous dry docking of the *Panorama*, which is totally incorrect. A man by the name of Davidson Hackett did that. And I wish for the record that that is cleared up before I return here.

5.30 p.m.

Mr. Chairman: Sir, so you would reappear on the 18th?

Mr. McMillian: Yes, I would.

Mr. Chairman: Good? And like I say, you have the option to provide us with a written submission in advance, or simply appear the day and be interviewed by the Committee. So I thank both of you, and all of you for your patience and your time. Please be advised that the Committee reserves the right to recall any or all of you if subsequent submissions or evidence by other parties necessitate some form of review and, of course, to provide you the opportunity to correct anything that is put out there before this Committee that may have your view to be erroneous or contrary to the facts as you know it. There is something you want to say, Sir?

Mr. Annisette: Yes. Mr. Chairman, other members, I know we are hard-pressed for time because some malicious and serious allegations—no, I just want to make the point.

Mr. Chairman: You will have that opportunity Sir, but I need to close now because we have other people waiting who we have postponed quite a few times. Okay?

Mr. Annisette: No, I just wanted to make the point because we will be leaving here and it is not until the 18th, and what will be in the public domain. I am not responding totally, but I want to put on the records that allegations that have been made against the SWWTU and our company that is malicious and calculated and designed, and at the appropriate time I will show you the connections and why it was done. Thank you.

Mr. Chairman: On the 18th you will provide that opportunity. I thank you all and Godspeed.

Mr. Purdey: So we do not get closing comments. I travelled a long way and I sat here a long time to get a lot of things straight. A lot of questions have not been asked, but it has been a lot of stuff talked about our company and brought to the forum and I am not happy with that.

Mr. Chairman: And you responded appropriately. So you are free to leave, Sir.

Ms. Alfonso: Mr. Chairman, I would grave your indulgence, one last issue. On my way here—

Mr. Chairman: You have one minute.

Ms. Alfonso:—on 105.5 I did hear one to your members indicate it seemed improper that I would have met with Intercontinental and it appeared in my bill and so on with respect to the charter party. I will say that I was asked by the Port Authority to help it finalize the charter party and I sat with many parties including

the SWWTU, including the Intercontinental, the people from the Ministry of the Attorney General as well, and from the Ministry of Transport in those days. So I met with many people in order to finalize the charter party. It was not singular to Intercontinental. Thank you, Mr. Chairman, for your indulgence.

Mr. Chairman: Thank you all.

5.33 p.m.: *Meeting suspended.*

5.39 p.m.: *Meeting resumed.*

Former Minister of Works and Transport

Mr. Stephen Cadiz

Former Minister of Transport

Mr. Larry Lalla

Adviser to the Minister

Mr. Chairman: Good afternoon and welcome to the second public hearing of the Committee pursuant to the Committee's enquiry into the Trinidad and Tobago Inter-Island Ferry Service with specific focus on the procurement and management of the ferries. The key objectives of the enquiry are:

- to understand the current state of the ferry service in Trinidad and Tobago;
- to examine the policies and procedures used to acquire ferries and to ensure that value for money is obtained;
- to determine whether due diligence governed the conduct of all aspects of the maintenance and management of the provisions of the sea bridge service; and
- to determine the changes and challenges with respect to the maintenance of ferries.

I will now introduce the Committee. I am its Chairman, Stephen Creese, Senator.

[Members of the Committee introduce themselves]

Mr. Chairman: Just for the records could the gentlemen at the front table introduce themselves.

Mr. Cadiz: Mr. Chairman, Stephen Cadiz, and I would like to introduce my colleague, Mr. Larry Lalla who understands the workings of the Committee.

Mr. Chairman: I would afford you a couple minutes to make any opening statement you care to. It is not compulsory.

Mr. Cadiz: Yes, I would like to make an opening statement.

Mr. Chairman: Proceed.

Mr. Cadiz: Mr. Chairman, I would very much like to thank you and the members of the Committee for asking me to present to this very important Committee on the various issues pertaining to all aspects of the Government ferry service between Trinidad and Tobago. As the line Minister for transport in 2013, the Port Authority of Trinidad and Tobago, which includes the ferry service, came under my responsibility between September 2013 and September 2015.

Under my tenure, I was exposed and privy to certain aspects of what constituted an efficient, reliable and well-managed service, paying particular attention to the safety and comfort of passengers, crew and the various cargo being transported on the ferries. Within three months of assuming the position Minister of Transport we were faced with our first major issue which was the failure of one of the two engines on the then cargo vessel, the *Warrior Spirit*. The Port Authority and Ministry alike recognized that the reliability of the *Warrior Spirit* was in question and that in order to maintain any acceptable level of service a replacement vessel would have to be sought.

The *Warrior Spirit* at that time was 34 years old, well passed her prime. A replacement vessel was hired through a tendering process as determined by the tender rules of the Port Authority and the Central Tenders Board. The Port

Authority being a statutory body came within the purview of the Central Tenders Board. By July of 2014 we had a relatively new vessel, just 12 years old, at the time of hire on the scheduled route.

The vessel, the *Super Fast Galicia*, operated well. She sailed 1,030 return voyages with only six days' interruption. There would have been certain days where she did not sail but for scheduled stoppages. During the hired period of the *Super Fast Galicia* the comments and critique from the various stakeholders were all positive. The vessel served the route well and regardless of the quantum load of cargo there was never a time where truckers or other shippers had their cargoes delayed.

Mr. Chairman, the ferry service has been a contentious issue for a very long time. The ferry service has been serviced by old questionable vessels, by ferries that have not been a good fit, by ferries that for whatever reason did not meet the international criteria for hire cost. What should be a simple voyage of 86 nautical miles provided by an efficient safe ferry service often turns into a nightmare experience for passengers and other stakeholders between Trinidad and Tobago with serious economic fallout.

Mr. Chairman, in 2014, as a responsibility Government, we recognized the critical issues surrounding the ferry service and set out to change the paradigm. The cargo ferry service have finally received the importance it was worthy of, a good solid modern vessel at a price that was very much, if not below, international charter hire rates. The vessel achieved upwards of 99.75 reliability. Recently, many ill-informed statements have been made in public discrediting this proven highly efficient service. I do hope that at the end of this Committee's proceedings that the citizens, the taxpayers who in fact pay the cost for the service are completely satisfied as to the fair and equitable process that was used in the hire of the *Super*

Fast Galicia.

I thank you, Mr. Chairman.

Mr. Chairman: The floor is open for questions.

Mr. Mark: Yes, may I welcome former Minister Stephen Cadiz and Mr. Larry Lalla. I have a letter dated June the 7th, 2016 addressed to the Minister of Works and Transport and signed by one Mr. Leon Grant. We have heard over the last two days a lot of issues surrounding the *Super Fast Galicia*. I want to make reference to this letter signed by Mr. Grant and ask you, former Minister Cadiz, whether you agree with his statement and if you could at least elaborate.

In this correspondence Mr. Grant is stating, contrary to what has been about bandied about, that the *MV Super Fast Galicia* was chosen through an unbiased tender process. I want to ask you whether you agree with that statement and whether what you have heard in the public so far as it relates to the corruption involved in this transaction has any truth?

Mr. Cadiz: Member Mark—but first to begin with the office of the Minister has no involvement whatsoever in a tendering process. The responsibility of the Minister of Transport, or the person responsible for the ferry service through the Port Authority, their job is to ensure that the service is a reliable, efficient and safe service. That is the sole remit of the Minister. The Port Authority is the statutory body that has been given that responsibility to determine type to vessel, to determine—well there is a standard an established tendering procedure with the port.

I just want to let the Committee know that anything over a \$5 million contract, whether it was for supply, for equipment or for services, comes under the remit of the Central Tenders Board. So the Central Tenders Board has to pronounce on any contract over \$5 million as stated under the Central Tenders

Board Act, and therefore, the Minister's job is very simple. We need to have a safe, reliable, efficient ferry service, and it is your job, the Port Authority, to ensure that that is done.

Mr. Mark: Given your status as a former Minister and also the importance of the sea bridge to the Republic of Trinidad and Tobago and the people of Tobago in particular, what would you say were some of the factors attributed to this crisis that has now gripped the sea bridge?

Mr. Cadiz: Well the first thing was the issue of the *Warrior Spirit*. The *Warrior Spirit* is an old vessel. As I said in my opening statement, she was 33 or 34 years old in 2013. Vessels of that type, that design, typically between 25 and 30 years, go to the scrap heap and they no longer go into charter unless they are doing very light duty on a private basis. To be contracted on a scheduled run where every single day that vessel has to sail at a particular time and arrive at a destination at a particular time, that vessel was well over its prime, and therefore, that vessel should have been changed out years ago.

When the vessel broke down and the port reported to me that they were having trouble with the owners/agents of the vessel—whoever it is they were dealing with, ISP, I believe is the name of the company in Florida—where there was little or no help coming from these agents of this vessel, there was no information coming back, “well we know what the problem is, the problem will be fixed by so and so date”. There was nothing like that coming back to the port. The Government of the day, of course, understanding that if the other engine broke down—I mean if one engine broke down on a 34-year-old boat, it was highly likely that the other engine would suffer the same fate, and therefore if that other engine broke down it would have meant there will be zero cargo services going to Tobago. Zero.

5.45 p.m.

Even though it is being bandied about that the fast ferry cannot take some cargo, very very limited and the type of cargo going to Tobago within recent years, you require a bigger vessel. What we had recognized was that if we did not do something immediately—this was not something that we had to plan down the road for another three years or four years, we had an immediate situation because the *Warrior Spirit* was—the total failure of the *Warrior Spirit* was very very real and, therefore, that is why the Port Authority then went out and they started the process of getting a replacement vessel in.

I would just like to say, Mr. Mark, that the Government recognized, without any doubt, its responsibility. Now, the Trinidad and Tobago Government, regardless of which administration, determined that the sea bridge, the ferry service between Trinidad and Tobago, is an essential service and therefore, it is incumbent on the Government to provide that service. There is little or no private contractors operating on that service for many reasons and the Government has taken it upon itself to provide that service and therefore if that commitment is there, it meant that we had to take action immediately.

Dr. Francis: Mr. Cadiz—simple question. During your tenure as Minister of Transport, during times much more favourable than now, you would have inherited two aged passenger ferries. Given the work regime, actually much older than their chronological age, by your own admission, you had inherited a very very old cargo ferry that was problematic immediately. Different economic circumstances. Why not the step to acquire two new vessels for the passenger ferry service? Why

not acquire a cargo vessel at a time when we could have afforded it?

Mr. Cadiz: The acquisition of vessels, I think is something that you need to think a lot about whether or not you want to charter or you want to buy vessels and do a maintenance—not maintenance, an operational and maintenance contract or you want to go ahead and buy outright and run your own vessels.

I think Trinidad and Tobago has a history. The *MP Panorama* was a perfect example of the country building its own vessel and operating. And I do not think that the history of the *Panorama* really and truly put the service in a very good light. Okay? And therefore what are the options? You can go out and buy. Now to buy two brand-new ferries similar to what you see operating on the service today, which is the *Spirit* and the *Express*, those vessels are upwards of US \$100 million for each one. Okay? That is the kind of money that you are looking at. So it is not an inexpensive purchase

And then, there is, of course, the freight ferry. But again, it is a decision that has to be—a lot of work would have to go into a study to see whether or not—what is more practical in the long run. Those vessels, as you know member, would be a 15-year lifespan for that type of vessel, and really and truly, is it going to be economical to do that?

Dr. Francis: If not purchase two vessels, at least one and change out one. Now, I am asking that in the context of the fact that we had the manager of the ferry service here yesterday and by her testimony, basically it has come to the fact that maintaining them—the cost of maintaining them even during your period into this period might end up equating to the cost of purchasing one. Because for example, one of

them is on dry dock now. And what the port is very generously calling repairs, it is not really repairs, it is a major overhaul of the vehicle which is going to be very expensive and which will continue to be very expensive. So I am just asking the question in that broader context.

Mr. Cadiz: Well again, we had the—the Bay Ferries contract was operational when I was there. I think Bay Ferries' contract ended in 2016 I believe. So when I was there, the Bay Ferries contract was there and obviously we knew we issues with Bay Ferries and the way that contract had being operating but the short term that I was there for, two years, it was difficult to make major changes.

What I understand is that major changes were in fact made in 2016 where the Bay Ferries contract was not renewed. I do not believe termination was the right word. The Bay Ferries contract came to an end and it was not renewed. What happened between September 2016 with Bay Ferries exiting and the situation with the fast ferries to date? And I think that point is being proven there that unless you are very geared up to operate those vessels in a particular way and to be able to have the maintenance done and overhauls done at the scheduled times, the dry docking being done at a particular time, et cetera, you are going to run into major problems.

And from what I understand, what is out in the media and also viewing this particular committee's proceedings, that the ferries have missed numerous dry docking schedules.

Dr. Francis: Even during the Bay Ferries era?

Mr. Cadiz: No. During the Bay Ferries, I will tell you, we had major overhaul done on one of the vessels, I cannot remember which one,

which would have been major engine overhaul and we made sure that Bay Ferries had both. The other ferry was right up to scratch. So when one went on dry dock, one was off for about three weeks. I believe three weeks, nearly a month. But the other ferry was in a serviceable condition that allowed it to make two sailings a today.

Dr. Francis: Mr. Cadiz, the manager of the ferry service was here and by her testimony yesterday, she has said on the record that there was one that was not serviced – dry docked – since January 2015 which would have been during the Bay Ferries era. So even then they were missing dry docking.

Mr. Cadiz: Well, I am not aware of that. So anyway I mean I guess—

Dr. Francis: I would think she should be aware.

Mr. Cadiz: Well everybody should be aware. Well I mean she should be able to provide that information as to—

Dr. Francis: She has provided it, go on the record.

Mr. Cadiz: Okay, all right. Well I am not aware that in January 2015 that any of the vessels missed a dry docking because I experienced, in my short time there, one major overhaul and then the statutory dry docking.

Now, there are two types of dry docking you are going to be doing. One is an annual inspection of the hull. So the boat comes out of the water and that is a very simple dry docking. The boat comes out of the water, the surveyors go, inspect the hull to make sure that all is well, the boat goes back into the water and she goes back on the run. When there is major overhaul to the propulsion system and to the engines et cetera, then the boat comes out of service for three weeks maybe,

somewhere around there.

Dr. Francis: Okay. As a national of Trinidad and Tobago and a Minister of Government, were you satisfied with the parameters of the Bay Ferries agreement?

Mr. Cadiz: No, no, the Bay Ferries agreement—and I am glad you asked that question. The issue with Bay Ferries where there was supposed to be a transfer of technology from day one, that never happened. Why did it not happen? Was it that there were structural issues, management issues at the port? Was it the contract that we had with the Seamen and Waterfront Workers Trade Union? What was the issue with these things?

When I was there, I was made to understand that local captains on the fast ferries were being paid at a rate way below the foreign captains and when I enquired, it was part of the contract, I believe, of the Seamen and Waterfront Workers Trade Union—which is fine, I have no problem, this is not beating up on the union, but just to say that the category of a captain in the union contract was at a certain level, but that certain level did not justify—was in no way equivalent to what a captain of a fast ferry would be paid in any other part of the world and therefore the port then had problems in getting captains to work for that low wage or low salaries.

We had discussions with the union at the time and close to our exit, we were close to an agreement where marine professionals—I think that is the term that I was using, I am not too sure if that was the exact term—that they would actually take those marine professionals out of the existing bargaining unit, ring-fence them, put them into a separate

entity where we would then be in a position to pay competitive salaries for captains and first officers and chief mate, et cetera, et cetera.

Dr. Francis: Did you at any time do anything to try to ensure that Bay Ferries followed through on their original scope of the agreement which was transferring technology?

Mr. Cadiz: Well I must admit, member, that coming into the job on day one, exiting the job in two years, with all else of that Minister of Transport job entailed, it would have been difficult for me to really zone in on exactly what was happening with the Bay Ferries contract. That was very much a port issue but we were heading towards that of where we would start to be able to put local captains, 100 per cent local captains. Chief Engineer is a difficult job and that might have taken a little longer to do. But we would have probably been able to have a full local crew manning those vessels within maybe another year, we would have been able to do that.

Dr. Francis: Thank you.

Mr. Paray: Thank you, Mr. Chairman, through you, Mr. Cadiz, good evening. I have a couple quick questions. I read your complete submission page by page and I have one or two questions. In your submission, you spoke about the *Warrior Spirit* and there was a crisis condition that existed and that you had to make some decisions with regard to a vessel. And at some time in point in time, you were informed that there is no emergency condition that would allow the Ministry to go outside of the Central Tenders Board to get that vessel. Emergency or not.

I have heard testimony here over the last day and a half, day and

three quarter, that emergency conditions would allow the granting of tenders and so on without having to go through the Central Tenders Board, which, from the data that we have here, I understand would have happened with the issuing of the awards to the Bridgemans Services Group. That particular tender did not go through the Central Tenders Board, because it was an emergency condition. But in your submission, you said that there is no way that any emergency gets you out of the Central Tenders Board. Could you elaborate a bit on that?

Mr. Cadiz: Well I think an emergency would equate to a vessel being totally inoperable for whatever reason whether it is physical damage to the vessel, sinking of the vessel. There would be a situation, for instance, if the *Warrior Spirit* had disappeared. I remember there was a boat that went to Haiti one time on the way to Tobago. But if the vessel had actually disappeared for whatever reason, what would be the position? Do you go to an emergency tendering procedure for that? I would say that that would constitute an emergency.

Having a vessel not operating up to its rated speed because of the loss of an engine did not equate to an emergency, okay, and the Central Tenders Board felt very strongly about that, that did not equate an emergency and therefore, we felt that if that is the case, that is the case. We will proceed with the normal tendering procedure, which we did.

Mr. Paray: In this particular instance, with reference to the fact that the *Galicia* had left and we had to get a vessel on the route, do you think this particular condition would have allowed for the bypassing of Central Tenders Board, that process? Do you think the condition existed for that?

Mr. Cadiz: No, because the issue with the *Galicia* from what I read in the media was an ongoing war between various parties, okay, about contract signed, no contract signed. I listened to the previous members that were here about contract signed and contract not signed, and—well I am not a lawyer, but as far as I am aware, unless I have a signed piece of paper that says you will operate under certain terms and conditions of the contract, that that is a signed contract and that is firm.

Where it is that the discussion was going back and forth, 12 months, 18 months, five years, three years; with a renewal for one year and then one year and this something went round and round and round, to me that was a calculated issue there to create an emergency maybe and that is just an assumption, eh. Because when we looked at it in our tenure in January 2014, we knew if we did not act immediately that we would find ourselves in a major problem.

6.05 p.m.

From what I understand, this *Galicia* contract since May of 2016, when the second-term charter party expired, there was no agreement with anybody to do anything and you cannot run a ferry service on a month-to-month contract.

Mr. Paray: Last question from me, Mr. Cadiz. As a former Minister, does a Minister have the power to, in your particular case in 2014 with the crisis and Central Tenders Board say, well it does not constitute a crisis because the vessel has not disappeared. Did you have the power as a Minister to overrule that requirement from the Central Tenders Board?

Mr. Cadiz: Well member, first thing, I am not going to overrule any tendering process. That is me. I will not be doing that. Okay? And when the information came to the Permanent Secretary that they would not allow the board to go through

the emergency tendering process, the discussion I remember having with the Permanent Secretary, I said well fine. Let them go through the regular process like everybody else, okay, because if that is the process and that is what Central Tenders Board wants, I am fine with that and whatever the result is, as a result of them following the process, as a result of them having the Central Tenders Board input into it, as far as I am concerned the Port Authority was really and truly ensuring that they were doing the tendering process right.

Mr. Paray: Thank you.

Mr. Khan: Mr. Cadiz, I will be the first to admit that there was a major challenge with the *Warrior Spirit* as you clearly articulated. It was 33 years old. It was really almost in the scrap heap and it was limping along. So, there was clearly a need to procure a more reliable vessel.

I have a couple questions on the procurement itself, which you have heard me articulate earlier but you were the line Minister at the time so I have to put certain questions to you.

Let me just jump ahead of myself and say when the *Galicia* was in fact procured, why was it not offered a longer term and not the original six months with an extension and then which morphed into a one-year with a six months' extension?

Mr. Cadiz: Do you want me to answer that one time? I think the issue with the six months came up where it was felt that the port did not want to enter into a longer-term contract, being aware of previous long-term contracts that the port had entered into and, therefore, if we were able to get a vessel here for six months in the first instance, that would give us enough time then to really and truly determine, one, whether or not the vessel that we got was in fact suitably fit for the run or whether or not there were other vessels that we should really and truly be

looking at. And that would have given us a six-month lead time to be able to do that.

When the contract was agreed to, when the vessel, sorry was selected—the *Galacia*, the owners asked for a 12-month contract and not six months. When we look at the mobilization cost, mobilization meaning bringing the vessel, all the fuel costs, et cetera, et cetera, moving the vessel from its home port in Gibraltar to bring to Trinidad and then to de-move that vessel, to send it back to its home port in Gibraltar, the cost of doing that. And when you work that cost over a six-month period it really did not make any economical sense to do it. And then the port opted for, all right, well then we will settle on a 12-month contract, which was approved again by the CTB, the change in the term of the length of the contract.

Mr. Khan: But then, that is my key issue there with the port and its procurement process through time because that is how Bay Ferries started. They ended up with 11 years in Trinidad just rolling over the contract. And here we had a situation where a boat originally procured for six months, then it morphed into a 12-month contract and then it started to morph into a two-year contract and then there were lobbyists within the whole port management and board and what have you to extend it for three years with a two-year option to renew. My favourite song is *Hotel California*, and there is a part which says:

“You can check in any time you like but you can never leave”.

And that is what seems to be happening at the port, because you check in there – I made the statement yesterday. The door is ajar and you get in. But once you get in it is like what they say with the West Indies team: it is easy to make the team but it is the hardest thing to get dropped. So that is the issue and that is the challenge we face, apart from, I have specific questions to you on the procurement of the *Galicia* itself but the issue of putting these short-term contracts, whether it is six months or

one year, just to get in and then you are almost guaranteed renewal ad infinitum without going through a transparent process, and that is the challenge we face.

Mr. Cadiz: Member, I would just like to say one thing. If you look at the charter party agreement, and I do not know if the members have copies of the charter party agreement, when you look at the terms and conditions that were written for the *Galicia* as against what was written for the *Warrior Spirit* and other vessels that the Port Authority had chartered over a period of time, the one difference there was that finally the charter arm, meaning the Port Authority, had options. They had clauses in there that would have allowed them to exit the charter if it came to that, unlike the *Warrior Spirit* that we had a charter for—the *Warrior Spirit* came in 2006 and in 2016, she was still on the schedule and there was no exit clause. So there was a big, big difference in between what we did in 2014 in chartering a boat.

The thought again at the time for the six-month charter was that that would give us enough breathing space to get the *Warrior Spirit* in, out, at least operational or whatever it was and then to determine whether or not this *Galicia* was really and truly a good fit. And that was exactly what happened.

Mr. Khan: So, what happened after one year? Why did you all not go out for tender?

Mr. Cadiz: What I would say member, I would say one thing with the *Galicia*. The 99 point—

Mr. Khan: Let the *Galicia* tender—

Mr. Cadiz: Agreed, but 99.75 per cent reliability, taking every single piece of cargo that came to the port. You did not have to book for cargo again to go on to the port. The *Galicia* could take anything that arrived on the port and, therefore, she was a very, very good fit. And whether or not the port felt at the time at the end of the first year that we would move to the second year, because again the

Government—there was a discussion earlier on: should we buy or should we lease? That discussion had not yet been had and, therefore, to me it was not a major issue to keep the *Galicia*. Whether the *Galicia* worked one year or it worked two years, or it worked for longer than that, I do not think that is a real, real problem once the *Galicia* was performing well at a rate that was very acceptable.

So here it is that we had an excellent vessel operating on the route at a very, very good, below international market rates. And I do not think that the ferry service has seen that for a very, very long time, prior to the *Galicia* coming in.

Mr. Khan: So what you are trying to say is that, in the justification of public expenditure, you will support the engagement of a particular service and once that service is acceptable to whom it is being provided, that gives you the licence for automatic renewal ad infinitum.

Mr. Cadiz: No, member, I am not saying that at all. If you look at the terms and conditions of leasing a vessel, when you talk about de-move and de-move charges, when you go and you want to change that vessel every single year because of a competitive tender, okay, and quite rightly so, you are entitled to go for a competitive tender every time the term is up. But when you look at the cost of doing that, as against the cost of retaining, for instance the existing rates that were quoted the year before, et cetera, there are all kinds of economic conditions that you have to look at. Next thing you know you bring another vessel inside of here, there is a whole reorientation. There is cost incurred in bringing a vessel. There is cost incurred in a vessel departing.

Mr. Khan: Okay, and let me just—

Mr. Cadiz: So I do not agree with the statement that it is a case of just renewing just for the case of renewing. That is not the case at all.

Mr. Khan: Let me just switch the topic a little bit because I posed some questions

to Ms. Nyree Alphonso a while ago. Are you familiar with the role she and her firm played in the procurement of the *Galicia*?

Mr. Cadiz: Member, I want to say very, very clearly, very, very, clearly, the office of the Minister of Transport has nothing to with the procurement policies of the Port Authority other than ensuring that the Port Authority follows the rules and regulations.

Mr. Khan: So your point is that certain things that were happening within the procurement process at the Port of Port of Spain or the Port Authority, you are not familiar with the details?

Mr. Cadiz: It is not a case that I am not familiar with the details. What I am saying is that the office of the Minister does not get involved. A Minister has to stay very far from any tendering procedure. The one thing that I would say though is with the Central Tenders Board being represented at those tender committee meetings as a result of the Act under which they operate, that gave me a level of comfort that if the Central Tenders Board is there to oversee and to ensure that the rules and regulations of the port tendering procedure are followed, then I would say fine, I do not have a problem with that. Let the CTB do their work. That is what they are there for.

Mr. Khan: Okay, well let me get back to two issues that you may be familiar with. I had posed these two questions to the Ministry staff, in particular the Permanent Secretary and it is under your tenure that the contract was signed on May 07, 2014 with an effective date of May 1st, at a cost of 15,000 euros per day.

The boat only started to work on August 04, 2014, which means that we would have paid approximately \$18 million before the vessel worked a single day. You were Minister at the time. Can you explain to me why that situation was allowed to happen as it did?

Mr. Cadiz: Sure, my first question, if you do not mind me, Chairman, to the member would be: Where did you get August 7th from?

Mr. Khan: No, I said May 7th.

Mr. Cadiz: No, the first working day of the vessel you gave as?

Mr. Khan: August 4th.

Mr. Cadiz: Yes, and where did that information come from?

Mr. Khan: Well, from my own research.

Mr. Cadiz: Okay, well I would have to ask you to check your research because the actual first day, first commercial cargo shipment to Tobago was on July 07, 2014. And again, Mr. Chairman, we can produce the sailing schedules from the port. There are logs, obviously, that are registered that show that.

Mr. Khan: So then, what is the total exposure of the State for whether it is \$18 million, \$16 million, \$14 million that was paid for the vessel before it started to work.

Mr. Cadiz: Well I mean there was a commercial agreement that was made, okay, to have the vessel here where funds would have been expended to allow the vessel to sail from Gibraltar to Trinidad. And that was part of the contracted agreement, as far as I am aware.

Mr. Khan: So, we were paying for full charter during the sailing time. Is that what you are saying?

Mr. Cadiz: I would assume that whatever the contracted agreement was, we met that contracted agreement.

Mr. Khan: You met it?

Mr. Cadiz: No, what I am saying is that whatever the contracted agreement was, whatever the contracted agreement was agreed to, that the Government of Trinidad and Tobago met its—

Mr. Khan: Met its commitment?

Mr. Cadiz:—commitment to the thing, yes.

Mr. Khan: Okay, and my final question to you, again which I asked this morning—and this seems to be quite inconsistent because I am just fishing to see whether there were friends of the *Galicia* because a cheque was sent from the then Ministry of Transport to the Port Authority to be placed in an account on hold until a contract was executed.

This morning, the Permanent Secretary in the Ministry of Works, who was not the Permanent Secretary at the time, said that it is not normal for that to happen, that it is not normal for a cheque to be issued without their being in place an executed contract, nor even the submission of an invoice. So, can you recall that incident and try to explain it to the Committee?

6.20p.m.

Mr. Cadiz: Well, what I would explain to the Committee is that at that Ministry level the Port Authority would submit to the Ministry its findings in a tendering process, and the Permanent Secretary would vet that to make sure it fell within the remit et cetera, and that was what was required. In this particular case, a Cabinet Note would be created to go to Cabinet to be able for Cabinet to approve the funding. Now, Cabinet does not approve the boat. Cabinet can see all the specifications for the vessel, et cetera, but we do not ask Cabinet to approve the actual physical vessel. That would be done by the technocrats at the port.

The purpose of going to the Cabinet would be for the Cabinet to approve this additional funding that would be required over and above, or outside of the regular funding for the port. So the Cabinet would approve that. In this particular case, the Cabinet goes ahead and approves the funding required for the *Galicia*. That approval then is then sent to the Attorney General's office with the charter party

agreement, with the Cabinet approval. It goes to the Attorney General's office for vetting. The Attorney General's office sends that back to the Permanent Secretary of the Ministry of Transport in this case, and then the contract is then executed.

So you have a time difference between Cabinet approving funding for a particular vessel where it is that no charter party agreement has yet been signed. Because if you sign the charter party agreement, you now bind the Government of Trinidad and Tobago to a contract, and therefore you cannot bind the Government of Trinidad and Tobago to a contract unless the Cabinet has already approved the funding for that particular contract.

So it is very much a chicken or the egg sort of situation. The transfer of funds, we can check the dates, et cetera. The transfer of funds to an escrow account, I would think, a holding account, would be where it is that as soon as that charter party agreement is signed and there is a fiscal commitment to execute that contract with, that the funds are, in fact, available for that execution.

Mr. Khan: My final question to you, Sir. As a former Transport Minister, historically the Port Authority has been plagued with inefficiencies and significant losses and subject to significant transfers and subsidies from the State. How do you think we can come out of that situation?

Mr. Cadiz: How much time we have, Chairman? That is a long, long discussion. But I will tell you what.

Mr. Chairman: Two minutes.

Mr. Cadiz: Two minutes. Okay. That is only so for members or for all?

Mr. Chairman: Both of you.

Mr. Cadiz: Okay. In demitting office in 2015, Member, we had actually gotten an agreement where there was, what we call the work practice and restructuring frameworks that were signed off. This framework was actually signed off, where

we had an agreement with the Seamen and Waterfront Workers Trade Union and the port management whereby we would have restructured all the workings on the port, all the operations. We would have brought the gangs down to a port worker. Rather than having five and six different classifications on a gang, we had where the port was finally going to be allowed to operate 24/7. This is an international port. International ports cannot work Monday to Friday and that is it.

And therefore, all of that. That framework is, in fact, at the port as we speak. It was never initiated. When I demitted office I have no idea what happened with that. Okay? But we had already started making the movements to have the port restructured where, for instance, minimum moves per hour of containers. We are woefully short of the international norm. We are down to about 12 or 14 containers an hour, whereas the international norm might be 30 or 36 depending on the port.

Therefore, all of this was in that framework and therefore to answer your question, Member, we had already started that process, but obviously that process was not continued when a new administration came in.

Mr. Chairman: Thank you very much, Mr. Cadiz for your time—

Mr. Cadiz: Mr. Chairman, I know everybody wants to go home—

Mr. Chairman: No, we are not going home, Sir. We have others.

Mr. Cadiz: I would just like to—in my opening statement I said there were a number of statements that were being made and bandied about that were inaccurate, and I would just like to let the Committee know where a statement was made that the *Galicia* was at the port, moored at the port for seven months before she made one sailing, is totally inaccurate. The *Galicia* was there for four weeks tied at the port waiting on all kinds of approvals, which I would not go into now, before she actually made her first cargo sailing—four weeks. The statement made by the Prime Minister of this country that she was at the port for seven months

before she sailed is totally inaccurate. And then there are a number of other statements which I guess I do not have time to deal with, but I thank you very much.

Mr. Chairman: I was about, before you interceded, to allow you two minutes to make a closing remark.

Mr. Cadiz: Thank you, Mr. Chairman. Well, the issue of the ferry service to and from Tobago is an issue that is not rocket science. It will take a reorganization of the ferry terminal facilities, which is the major problem that we had. When we talk about the dredging, et cetera, that dredging bill was for a dredging exercise that should have been done since however many years ago. It has been 17 years since the port area has been dredged.

So when we talk about, oh, the *Galicia* was an ill-fit; it was too big; it was this, it was that, strangely enough the *Cabo Star* is larger than the *Galicia*. I do not know if anybody has said that in the committee session. The *Cabo Star* is a bigger boat than the *Galicia* and that seems to be acceptable to this current board and administration.

But to fix the ferry service there are infrastructural works that have to be done which we had already started to initiate. That has to be done. The style, type, size of the ferries is very, very critical because of the wave heights at certain times of year and you cannot bring any and every boat here, and that has to be taken into consideration. There is a fixed bid, Mr. Chairman. The fix again can be done very, very easily with people who are serious about what they are doing, where there is no other interest as to why we are doing something. You remove that out of the system and you are going to find yourself with a wonderful, first-class ferry service to and from Tobago and every single citizen of this country would be extremely proud of, and not the mess that the ferry service has found itself in.

So I just want to thank the Committee for allowing me these couple moments to share the information that I have and I am willing to answer anything further at any other time regarding the ferry service to Tobago and Trinidad. Thank you, Mr. Chair.

Mr. Chairman: Again, I thank you for your offer. This sitting is now suspended for three minutes. When we return, a former Minister of Works and Transport, Mr. Fitzgerald Hinds, would be appearing before the Committee. So we will now suspend for three minutes.

[Suspension for three minutes]

Former Minister of Works and Transport

Mr. Fitzgerald Hinds Minister in the Ministry of the Attorney General
and Legal Affairs

Mr. Chairman: Good evening and welcome Minister Hinds, and you are here, of course, in your capacity as former Ministry of Works and Transport. I do not think it is necessary that I introduce the Committee to you, so we could waive that formality, and I would afford you an opportunity to make your opening remarks at this time.

Mr. Hinds: Thank you very much, Mr. Chairman. In that capacity I assumed office about September 11, 2015 and my stint in that office went until, I think, November of 2016. I have observed and listened patiently and carefully to some of the proceedings, the deliberations of this Committee and I would like to begin by saying—and this has largely been the experience that I shared as well, supported by that experience when I was in that office and, indeed others.

From what I have listened to and observed, what we are facing here is an experience of what some may call pejoratively “third worldism”; I see elements of

inefficiency. We heard a lot about that, about the management. I heard a lot about—and from my own observations, a lot of confusion and uncertainty and loose management and all of these things, perfect examples of the way the thing ought not to be. There are many other countries in this world and cities that use ferry services and I am sure they conduct those affairs for centuries without all of the confusion and the mayhem that this experience is bringing before us.

So I want to say to this Committee that this is not, from my observation, as a public servant, confined only to the Port Authority of Trinidad and Tobago. This situation, as I have just described it painfully, is to be replicated all across the governance structure in this country. In schools, there are issues—just to tell you, Chairman, where vice principals and principals are not at ad idem and therefore affecting the operation of the school. Boardrooms all around this country, in Ministries, in agencies, and this, to me, is largely the reason for the circumstances in which we are now put. Those are the few comments I would make and I am now open to any questions that my members of the Committee would want to pose to me.

Mr. Mark: Let me formally welcome the hon. Minister, in the office of the Attorney General and Ministry of Legal Affairs. I have a few questions I would like to have clarified. The first one I would like to have clarified is whether you are aware, as Minister, of a letter being sent to you on December the 16th 2015 by the port secretary, Pamela Ford in which she indicated that a decision was taken by the board of commissioners which was installed on the 23rd of November 2015, to terminate—the board had taken a decision to terminate—the *Super Fast Galicia* contract and they wanted the Ministry of Works and Transport to provide the party with the 90-day notice period that was necessary under the party charter agreement. I just wanted to know if you are aware of this correspondence which

was addressed to you.

Mr. Hinds: As I speak to you now, I have no immediate recall of seeing that, but if it came to me then, it would have come and I would have treated with it the way a Minister of Government must. That is to say, I would have advised the Permanent Secretary to respond to the Port Authority. Typically, the Minister responds to the chairman and the board of the entity. So had I received such a letter I would have directed any instructions and the Cabinet's position through the Permanent Secretary in response. But I cannot tell you now that I have recall of that letter.

Mr. Mark: The reason why I have raised this matter is to bring to your attention the Government, the administration's initial intention upon assumption of office to terminate the contract, the charter party agreement of the *Super Fast Galicia*.

Mr. Hinds: Well, I do not think—no, I was the Minister at the time, and I do not think that was the Government's position at all. One of the things that formed a major plank, a pillar, if you like, of the Government's approach to Government is that we wanted propriety in everything and we wanted proper procurement, and I must admit to you, when we were in opposition seeking to become the Government of the Republic, one of the things that we promised and one of the things we assured the citizens who gave us a very loud mandate, is that there would be proper procurement procedures in all that we do. And I recall from my days in opposition, we did have concerns about the procurement of that vessel, and from the deliberations of this committee, those that I have had the benefit of hearing over the last, I would say, two days or thereabout, you must agree with me, Mr. Mark that—and Mr. Khan put it so well—once you get in, it was a question of extension after extension without a proper procurement procedure.

So as Minister, I was acutely focused, not only on that but on every single

thing that came before us, to ensure that a proper procurement procedure based on the then law, and the circumstances, was executed. So I must tell you it was not the Government's—and, in fact, when from the records you would see, based on our policy, once the Port Authority went out again to seek another vessel, you would see they approached it with a proper—a proper procurement approach was taken. That is all.

And in those circumstances, Mr. Mark, all would have been free to participate in that process, including those who would have had responsibility for the *Galicia*.

Mr. Mark: I would urge you to get a copy of that letter and you would get some clarification.

Mr. Hinds: You say it with a rather interesting smile, and I am sure, having read that letter, the response that I have just given you would be repeated, if possible verbatim.

Mr. Mark: No, I am just saying that you should get a copy of that letter. The other letter I would like to ask you if you have been in receipt of, is one dated June the 7th, 2016, written by then acting chief executive officer of the Trinidad and Tobago Inter-island Ferry Company of the PATT, Port Authority of Trinidad and Tobago, one Mr. Leo Grant. It is written to your good self, in which he complained—there was a complaint, I should say, about the conduct of the then chairperson, Mrs. Christine Sahadeo, where the writer accused Mrs. Sahadeo of literally hijacking the executive management function of the Port Authority it is a three-page document addressed to you.

But what is more significant in this correspondence I would like you to respond to is that he stated, and I quote, in this letter:

At meetings held on March 16, 2016 and on April the 8th, 2016 at that

Ministry of Works and Transport with regard the replacement of a passenger cargo ro-ro vessel, the management unanimously on both occasions recommended the renewal of the *MV Super Fast Galicia*.

He went on to say later on, the next paragraph:

The management, the board and with your concurrence as the Minister and your ministry, you agreed to the extension of 18 months for the *Super Fast Galicia* to even concretize and solidify your approval, the permanent secretary, one Mr. Clint Ramcharan, at the time, permanent secretary, Ministry of Works and Transport, wrote to one Mr. Demi John Cruickshank, chairman of the Tobago division and he said, and I quote:

By virtue of the recommendation of the management and board of the Port Authority, approval has been granted by the Ministry of Works and Transport for the renewal of the charter hire agreement between the Government of the Republic of Trinidad and Tobago and Intercontinental Shipping in relation to the *Super Fast Galicia*.

So this is a consolidation of your agreement to this particular 18-month extension. The question that everyone is asking, having agreed as the Minister and your Ministry and the Port board and management, why did you not, having gotten a draft Cabinet Note from the Port management for this agreement, why you, as the Minister then, fail to take that note to the Cabinet? Or should I recast it? Did you take the note to the Cabinet and was it rejected by the Cabinet, given the agreement of all parties, including yourself?

Mr. Hinds: Let me tell you that I do not know what note you are speaking about, Mr. Mark. A Cabinet Note becomes a Cabinet Note when the Minister with the responsibility for the portfolio signs off on that and submits it for the attention of the Cabinet through the Cabinet Secretariat. Once those things were not done then

a note was not consummated. So I do not know what note you are speaking about. Anything else before that is a question of somebody's ideas and documents. The only persons who can take a note to Cabinet and it will become a note, is when a Minister signs off on it and submits it through his PS to the Cabinet Secretariat. So I know not of which note you speak.

Let me say further. Based on the extensive quotations that you ran from that letter, I had become aware from my management of the Ministry of Works and Transport, and I had had anecdotal evidence before, as I indicated to you, a citizen of this Republic, that the *Galicia* posed some serious challenges to the people of Trinidad and Tobago. By that I mean, one day—and I do not know if you all as parliamentarians experienced that. One evening I was leaving this Parliament and I was standing downstairs on the ground floor of this very building, Tower D, and the building started to shake. And I am not exaggerating, Mr. Mark, Mr. Chairman. The building started to shake earthquake style. I became very concerned. And then the officers in my immediate presence told me it was the departure of the *Galicia* that generated that. That was a regular occurrence for them. It startled me. It was my first experience.

And I had heard as well that the managers and the owners of the Hyatt were very concerned about possible latent damage, or damage to that structure. So that was a major issue. I was also aware, as you would have heard in these deliberations that the *Galicia* was unable to berth where it was intended to, and as a result of that, they had to get a barge to take things out to it. They had to develop wonderful engineering skills, a ramp to get the trucks up. When trucks come on the port they used to have to line up on Wrightson Road and all by Dock Road in order to get around. It created traffic issues and as Minister of Works and Transport it was an issue from time to time.

There were issues of labour. They had to hire a tug. And that for those reasons and almost an entire level on the *Galicia* could not be used and the vessel operated under capacity. Irrespective of what sort of load it was to actually carry, it could not operate at full capacity for the reasons I have stated. And as I told you earlier, ab initio, the procurement issue was a major issue to me in the first place on the mandate that I described to you a while ago. So there were issues around the *Galicia*. And of course, for from time to time as Minister—because I became immediately aware, through my permanent secretary, upon the assumption of my office as Minister of Works and Transport, that the vessel's contract or its arrangement with the port, the extension that it had was to expire in April—I think at the end of April or the 21st of April, 2016.

Mr. Mark: Thirtieth.

Mr. Hinds: Thirtieth of April, 2016. So understanding the critical importance of this service to the people of Tobago and to the people of Trinidad, even though not as gravely as the issues in Tobago, we were concerned and we began to work towards creating an opportunity for a proper procurement process in time and in advance of the expiration of the arrangements with the *Galicia*, and we began to work. I am working closely with my PS and she is working closely with the management of the port. And I am talking to the chairman of the board, as I am entitled to do, Madam Christine Sahadeo, who, let me take this opportunity to say in the spirit of candour today—and I am coming to that letter, because I received that and other letters about persons complaining about her and her conduct, as you put it.

But I received complaints from her about the conduct of other persons as well. It became clearer as the weeks and the month went on that there were, as Member Dr. Lovell Francis would have pronounced it, internecine issues between

elements of the board and I think you all traversed that sufficiently yesterday. I need not go there again. But I also detected from some of the letters that I received, and some of the complaints that she raised to me, as chairman of the board, about the management, I recognized as well that there were some positions—hard positions—some friction between the board as represented through and by her and the management.

So the letter of which you spoke was one of others. But I simply took it. I did not act upon it. There was no need. I took it under advisement. I think that would be correct to say. I took note of it. But my main focus, as a responsible and prudent-minded Minister of Government, was to encourage—and all of the meetings we had, every one of them will agree with this—was to encourage them to work in the interest of the people of Tobago, in the interest of the Port Authority, in the interest of Trinidad and Tobago and set those differences that were becoming more and more manifest aside.

6.50 p.m.

That is why I began how I began here today, I began to see, and I heard yesterday from the lips of Madam Sahadeo and others, that the board had become dysfunctional because of that and that is why I began how I did today. Bacchanal and confusion and egos and positions and all of that, affecting the work that is in front of us, so I spent a lot of time trying to see whether I could get them to focus, so the agreement, Mr. Mark, the only agreement that I sought to engender in those meetings was that they agree among themselves to work assiduously in the interest of the people of Tobago and Trinidad by providing a proper service. So, that letter of which you spoke—

Mr. Chairman: Member Mark, we need to allow other members to put

questions to the Minister.

Mr. Hinds: And I did not—permit me just to finish Mr. Chairman, and you know, I must say in the spirit of truth, notwithstanding all of the noises that we heard and I had taken note, I have to be very frank; I had taken note of some of the strong postures on all sides and I formed my own opinions which I kept closely to myself. I will tell you this though, I am sure that it cannot be said that Christine Sahadeo was about anything irregular or ignoble. I think she was trying to achieve the practice of the mandate of the Government of Trinidad and Tobago even though at a personal level she may have done it in ways that I or other people may not have liked, so I just wanted to say that and now, especially now, with the benefit of hindsight, I think all she was trying to achieve is to practice in full, the policy and the philosophy of the Government that she chose to serve as a chairman under and I want to commend her for that. I feel obliged to say that.

Mr. Paray: Minister, I have listened to your contribution so far and I am quite sure that you are well versed and understand your role and I am sure, that you, having observed issues surrounding the *Galicia* and you spoke about procurement issues and challenges that would have stopped you dead in your tracks from extending that contract, because you are working for the people of Trinidad and Tobago, that is what I heard.

Mr. Hinds: No, no. You could not have heard that. It was not my duty to extend or not to extend. I would give policy directions to the board; they had a job to do and I am aware that they began a procurement process before—

Mr. Paray: Okay I hear you. I get that, I get that, thank you.

Mr. Hinds: April 30th—no I just wanted to correct that—

Mr. Paray: I got that. What I am getting at is, you decided that because of procurement issues you had concerns. That is what I heard you said, that is what I hear you say, so let me move on—

Mr. Hinds: Since I have to answer the question, let me just understand your question properly.

Mr. Paray: Right, I will give you my question now. Knowing that we have issues of procurement in this whole country, you say it all over the place, are you satisfied that all the procedures with regard to the *Cabo Star* and the *Ocean Flower* was done in the best interest of procurement practices under the watch of this administration?

Mr. Hinds: Those events took place well after I demitted office as Minister of Works and Transport and I am aware that you have the Minister of Works and Transport, Mr. Rohan Sinanan, my Cabinet colleague, to appear before you, that question will be far better placed to him and I would add, I am sure he is in a very strong position to answer it, and to suggest that he will.

Mr. Paray: And lastly, I am sure that you are well read as you are well spoken, and we have 600 pages of documents all coming from the media and all over the place. The hon. Prime Minister made a statement in Tobago, that something seems “crooked” in this deal. Now, you just said that procurement is important to your administration. Do you agree with the hon. Prime Minister when he says that his yes, means something?

Mr. Hinds: Well I can tell you, as a fact, from my knowledge of the goodly gentleman, his yes means something, and means a lot.

Mr. Paray: And you agree with him that something seemed or felt

“crooked” in this arrangement?

Mr. Hinds: I agree with you that his yes means a lot, and that matter is under investigation, even by this Joint Select Committee. All of the facts will become known to you at the end of this long exercise and we will come to conclusions at that point. At this point I could come to no conclusion, except to say to you, from my anecdotal and my ministerial knowledge and experience, sometimes, when you think or sometimes when something is wrong, it may not be wrong at the ministerial level; it may be wrong, but it may be wrong elsewhere. So I am sure at the end of these deliberations and all of the multi-enquiries that are taking place, the facts will reveal themselves to you Mr. Paray, and the nation.

Mr. Paray: I cast no aspersions, Sir, and I am sure the truth will eventually come out; thank you very much.

Mr. Hinds: Thank you.

Mr. Chairman: Are there any other questions to this witness from any other member? I now invite you Sir, to make any closing remarks if you care to.

Mr. Hinds: I had heard it said that we ought to have signed off on some 18-month contract. I merely want to say, Mr. Chairman, that when the arrangement expired on the 30th of April 2016, I, notwithstanding my professional background and training as an attorney, was sensible enough to know that I could not advise myself, and particularly so as a Minister of Government, so I sought the advice of the lawyers in the Ministry, I sought the advice of the Office of the Attorney General, and ultimately, I sought advice, through an opinion from senior counsel, as to what was the state of affairs, because since another vessel was not

procured as at the 30th—not another vessel, since a vessel—because everyone could have participated as I told you, as at the 30th, there was for me as Minister, some measure of uncertainty going forward in terms of the relationship between the *Galicia* and the port in service of the people.

So, because of that uncertainty, I sought a legal opinion which suggested as you would have heard before, supporting the legal advice I had gotten from the Ministry and the Office of the Attorney General, that there was an offer of acceptance and therefore there was an 18-month contract and it was unwritten but it was existent as some contracts could be, but I will tell you this in closing Mr. Chairman, I knew that there were issues, because I received a letter dated December 14, 2015, signed by a certain Mr. John Powell, the managing director of the ICSL. And I must, for the benefit of this august Joint Select Committee, notwithstanding we are in the month of September, put some elements of this on the record, because as Minister, it was surprising to me, but I received this letter dated December 14th and it begins very quickly by saying:

We understand that a decision was taken back in September of this year by the Port Authority of Trinidad and Tobago to extend—
So, he is saying in this letter that in September of 2015, a decision was taken by the Port Authority to extend the contract of the *Super Fast Galicia* for a period of two years but to date we have not received official confirmation of this contract award and he goes on.

He goes on in paragraph two to say, there are issues about berthing by the Hyatt and complaints, as such, and I am quoting again:

We would welcome the opportunity to find a mutually beneficial solution to the berthing issue and would request the opportunity to explore a private sector/Government partnership in sharing the dredging costs in and around the ferry terminal area so as to adequately accommodate the *MV Super Fast*, recognizing that there was the problem as I described it.

In the third paragraph, and I am giving you snippets of it:

We originally requested a four-year contract, given the low margin...

—and I take that to mean profit margin—

We were awarded a one year contract with a one-year extension which ends in April 2016.

The letter goes on and says:

We have always advocated to the Port Authority that this is a short term arrangement was not cost effective—

Let me start that again, quickly:

We have always advocated to the Port Authority of Trinidad and Tobago that this short-term arrangement was not cost effective nor sustainable and wrote the Ministry advising same, proposing a longer-term contract at a reduced rate. In September, 2015, we were informed that the board of the Port Authority approved a two-year contract, but to date have not received further confirmation. Consequent to this agreement—

—and this is very critical Mr. Chairman:

Consequent to this agreement, and based on our legitimate expectations emanating from the two-year extension, we initiated

financing arrangements through a local financial institution for the outright purchase of the vessel. It should be noted that the ship's owners have agreed in principle to the sale, but advised that otherwise, the vessel will need to be returned to Gibraltar at the end of February, 2016.

Well of course, this letter, dated the 14th of December, was sent to me when there was still life in the existing arrangement up to April, 2016, and I am being told that the owners of the vessel are threatening to take the vessel at the end of February, and all I was concerned, as indeed was my Cabinet colleague, through me as Minister, was the welfare of the people of Tobago, so this troubled me. And finally, the letter says:

For these reasons, we are seeking urgent clarification on the contract extension—
—which I knew nothing about—

...for the *Super Fast*, as we are in the final stages of negotiating the purchase of this vessel and have made material commitments to the current owners based on the Port Authority's previous assurance.

Mr. Chairman, when I received this letter I was a little bit surprised. I was surprised that he was communicating with me as Minister because that is not the way this ought to be done. I would have passed this to my Permanent Secretary, and I demitted office as I told you in November of 2016 and my ministerial colleague who has taken over since then and my view for what little it is worth, notwithstanding my bias, has been doing a wonderful job since then, and he will be here to tell you what would have transpired subsequent to my demission of that office.

I would like to thank you very kindly and I hope that the deliberations of this Committee would identify the issue of the bacchanal and confusion and egos and understand that this is not unique to the Port Authority of Trinidad and Tobago. It is happening all across the network of Government service to the people and this is why President Robinson once told us that it was the professional class, and I would now like to add, the servants, who complicate issues for the citizens of this Republic and I hope that the blueprint that you would garner from this Committee, from its deliberations and the recommendations you make could be applied across the board, and prevent Trinidad and Tobago's citizens from suffering as a result of them. I would like to thank you very warmly.

Mr. Chairman: Thank you Minister. We will now suspend for three minutes and when we return Minister Sinanan will be our presenter. So we will suspend for three minutes.

7.04p.m.: *Meeting suspended.*

7.06 p.m.: *Meeting resumed.*

OFFICIALS FROM THE MINISTRY OF WORKS AND TRANSPORT

Mr. Rohan Sinanan	Minister of Works and Transport
Mrs. Sonia Francis-Yearwood	Permanent Secretary
Mr. Marvin Gonzales	Director, Legal Services
Unit	

Mr. Chairman: Good evening. We will resume the second public hearing enquiry into the Trinidad and Tobago Inter Island Ferry Service,

with specific focus of the procurement and management of the ferries. The basic objectives of this enquiry are: to understand the current state of the ferry service in Trinidad and Tobago; to examine the policies and procedures used to acquire ferries and to ensure that value for money is obtained; to determine whether due diligence governs the conduct of all aspects of the maintenance and management of the provisions of the sea bridge service, and to determine the changes and challenges with respect to the maintenance of the ferries. I do not think it is necessary for me to introduce the Committee to hon. Minister Sinanan, but I would ask you to introduce your guests.

[Introductions made]

Mr. Chairman: And now I would afford you the opportunity to make some opening remarks.

Mr. Sinanan: Sure, thank you. Chairman and members of the Committee, I assure you that I will be forthright and answer all questions asked of me. I will speak the truth based on all information within my knowledge. I thank you. That is it.

Mr. Chairman: All right. The floor is now open for members to ask their questions.

Mr. Mark: May I? Welcome hon. Minister and the Permanent Secretary and the other gentleman. I want to ask you some direct questions.

Mr. Sinanan: Sure.

Mr. Mark: Do you know Adrian Beharry?

Mr. Sinanan: Adrian Beharry is a member, a commissioner on the Board of the Port Authority and —

Mr. Mark: Do you have a long relationship with him, apart from him

being on the board?

Mr. Sinanan: It depends on what you consider as long. I have known Adrian Beharry for the last six months.

Mr. Mark: Six months?

Mr. Sinanan: He has been on the port for about five months.

Mr. Mark: Okay. Do you know a chap called Barney Gajadhar?

Mr. Sinanan: No Sir.

Mr. Mark: Okay, you do not know a Gajadhar? Could I ask you whether letters of credit were issued to the Bridgemans Services Group for both the *Cabo Star* and the *Ocean Flower 2*, and if they were issued, what were the value of those letters of credit and could you make copies of those available to the Committee?

Mr. Sinanan: Sure. Sen. Mark, those letters of credit would not have been sent from the Ministry, they would have been sent from the Port Authority of Trinidad and Tobago. But as you request, we will make copies available to you.

Mr. Mark: Okay. The other thing I wanted to ask is, is it a normal practice from your perspective, for vessels to be engaged by the Government, and not be issued with the appropriate contracts or what is called charter hire or charter party agreements? Is that something you would say is a normal practice of the Ministry of Works and Transport?

Mr. Sinanan: Mr. Chairman, through you. I think this morning I heard the attorneys from the Ministry of Works explain that entire process. I was looking on at that presentation and I concur with the attorneys at the Ministry of Works and Transport that the letters of engagement went out and the charter party agreement, the signing of that, was sent to the port

and there is some conversation as to whether it was signed at the port or the Ministry. I think that was answered this morning by the attorneys.

Mr. Mark: But we understand from the port, one Charmaine Lewis if I remember, I may be wrong, I do not want to mislead you, but I would say the port—let me withdraw the name Charmaine Lewis—indicated to this Committee that they prepared the contracts and those contracts were sent to the Ministry and those contracts apparently were never executed. Now, what I am saying is that that is what we were advised, so you are saying that they were supposed to prepare it and they never brought it, and they are saying that they prepared it and they sent it and they were never—well they could not indicate what happened to those contracts or charter party agreements that were prepared.

Mr. Sinanan: Through the Chairman, can I ask the attorney at the Ministry to answer that question?

Mr. Mark: You see, I would have thought that [*laughter*] when we invited the Minister, we would have been able to get direct answers from the Minister, but, so I have to be guided by you. I am asking the Minister direct questions and the Minister is palming off questions —

Mr. Sinanan: No, no, no. If it is not permissible, I will take the question.

Mr. Chairman: I thought by that you meant that you did not have the information so you are referring it to your technocrats, but if you have the information —

Mr. Sinanan: No. I would prefer to refer it to the technocrat if the Chair will permit.

Mr. Chairman: Yes.

Mr. Mark: Who is going to answer the question?

Mr. Gonzales: I am sorry Mr. Chairman. As indicated earlier, the negotiations for those two vessels were conducted by the port and they would have issued the letter of engagement to the providers. The normal process is that after the letter of engagement is issued, the port will prepare the necessary contractual documents or draft contractual documents, and have it submitted to the Ministry, so that it can liaise with the Office of the Attorney General for vetting and approval. The Ministry has not received documentation, contractual documentation from the Port as it relates to those two vessels.

Mr. Mark: We have to recall the port, because somebody is not telling us the truth. So we need to get to the bottom of it because we are being told by the port that they have prepared it, they sent it. They cannot explain what has happened, you are now saying you have not received anything, so Mr. Chairman, I think we have a basis for recalling the port on matters—

Mr. Sinanan: Okay. Mr. Chairman, I just want to add that aspect of the procurement is not handled by the Minister. I just want to put that on record. That the Minister has nothing to do with the signing of any agreement, charter party agreement, I just wanted to place that on the record. Thank you.

Mr. Mark: Mr. Chairman, as I said I just want to be—I just need guidance. When we invite a witness here and the witness is referring matters to – whether it is an attorney who we have already seen this morning, I think something is wrong here. We have invited the witness.

Mr. Chairman: Minister, you are invited in your individual capacity —

Mr. Sinanan: As you please, Chairman.

Mr. Chairman: And you may access advisors. If you do not have the information yourself, say so to the Committee, because we have other means of obtaining it from the technocrats at the Ministry. So at this juncture, if you have the information, you should provide what information you have. They are there to advise you, but you are the one to present to the Committee.

Mr. Sinanan: As you please, Mr. Chairman.

Mr. Mark: May I ask also hon. Minister, this company called Kenny Shipping and Marine Service, do you know that company, do you know of the individual of that company?

Mr. Sinanan: No Sir, never met the guy, do not know the company.

Mr. Mark: I pause for the time being and I will come back again.

Mr. Chairman: Member Lovell.

Dr. Francis: Minister Sinanan, just for clarity and for public information, because there have been rumours swirling around this issue for about a month. Were any instructions given by you in your capacity as Minister, directly, indirectly, by inducement, by any form, vis-à-vis, the procurement of these two, now infamous vessels?

Mr. Sinanan: Through you. Mr. Chair, I know the role and function of the Minister and in no way would I be involved in procurement. Procurement of vessels happens at the port, not at the Ministry, so I have played no role in the procurement of any vessel.

Dr. Francis: Do you have any interest of any kind; financial, fiduciary, of any form, with either Bridgemans or the other company Kenny? Any kind of interest of any kind?

Mr. Sinanan: Absolutely none.

Dr. Francis: Those two are gimmes. Here is the more serious question. Are you satisfied with the management of the port?

Mr. Sinanan: As the line Minister for the port, my interaction is with the board. Having said that, and occupying the position that I do, I am quite satisfied that the port leaves a lot to be desired. Listening to the Joint Select Committee for the last two days, I think if anybody would say the port is in an acceptable position, it would be far, far, far, from the truth. I think the port needs some serious shaking up and I want to use the words “shaking up”—a significant part of the problem has to do with proper management.

Dr. Francis: So a crumbling ferry service is perhaps just symptomatic of a larger problem there. What plans of intervention do you have to rectify the situation at the port? At the end of the day, as I have said before, I will reiterate, this Joint Select Committee should not be about bacchanal. It should be about addressing fundamental problems and finding workable solutions in the short term and the long term. Solving the ferry issue is a short term solution which is important. Rectifying the port is perhaps a more important longer-term solution. What plans of intervention do you have as Minister? What plans of intervention does your Ministry have, to modernize, reorganize, restructure—however you want to term it—the port and to deal with the issues at the port that are ensuring that a venture that should be massively profitable is not ridiculously loss making?

7.20p.m.

Mr. Sinanan: Stepping into the office in November of 2016 and having found myself with a port and a ferry service that, in my opinion, was heading for a crisis. I immediately went to the Cabinet, and informed them of what was taking place at the port. As the line Minister I did meet with the board on several occasions within the first two months recognizing the challenges that we had in the port. What happened there is history. We have a new board of commissioners at the port and I feel very confident that they understand what is required at the port. And based on the submissions that they would have made to this Committee, I think it is clear that they understand the problems and they understand the solutions.

As the Minister of Works and Transport my job is to ensure that I support them and get the necessary resources to them for the job ahead. What we have done at the Ministry, with the support of the Cabinet, is we have appointed a three-man investigative committee to conduct an investigation into the operations of the port and to make recommendation to improve its efficiency and reliability.

Coming from that report and working with the authorities at the port, at the Ministry we are about to engage a sea-sector specialist to assist the Ministry and the maritime experts are required to monitor the port authority. So there are plans in place because we clearly recognize, and I think the national community recognizes now that the Port Authority is in a mess and part of my mandate is to change the direction of the port.

Mr. Francis: All right, final question. While we sit here and talk, which is easy, relatively, there are people who are suffering because of the broken sea bridge. Given a chance to replay all of this over the last two months, would you have done anything differently?

Mr. Sinanan: That question, I mean, on hindsight anybody could say we should

have done this or we should have done that, but I did say, coming in November, I met a port and a sea bridge in crisis. I remember looking at the situation and putting to the new board that once we solve the cargo problem, the ferry problem, the ferry challenge, is going to explode on us. Because as early as November we saw signs of the both passenger vessels hopping along.

This problem is not a problem that came up a year ago or two years ago. This is a problem that started when the ferries came in. The ferries came in as new ferries. So obviously the maintenance required was not at a level where we paid too much attention to it, it was working good, but after ferries, after aluminium hull vessels passed 15 years, in some countries they get rid of them. Our both ferries are over 15 years and with poor maintenance this is the result of it.

So this experience here is an experience not for this Minister of Works and Transport. This is an experience for the country that we need to pay attention to maintenance. It is not only on the port. We build buildings and we do not maintain them. The buildings will remain standing, but vessels need maintenance.

Mr. Francis: So you would have done the same thing.

Mr. Sinanan: Well, the thing about it is that, remember, the Minister did not do anything to have the sea bridge in this condition. What brought us here with the cargo vessel, you have to understand—when I came in November, in December I met with the provider and he requested from me and I am hearing a lot about 18-month contract and so, that I had nothing to do with that. I was never asked by the provider to sign off on any 18-month contract. What was asked of me is a five-year contract in December or else there was no guarantee that the vessel is going to be here by April.

So the removal of the cargo vessel was not done by the Ministry or the Government, it was a withdrawal from the provider; that caused emergency in the

cargo service. Subsequent to that, our both ferries virtually running into serious challenges and we developed a cargo problem and a ferry problem at the same time. They are two separate problems, both of which and we heard from two Ministers before me, that since 2014 there were questions as to when the vessel came in, the *Super Fast Galicia*, what was the length of the contract, should we renew the contract. So there were things like that since 2014. It did not happen in 2017.

In 2017 the vessel left because of problems from 2014 in sorting out contracts. I have seen on the file where a contract was extended for one year. It came in at six months. That six months on negotiations went to one year. But it came in on six months with an option to renew for six months. It went to one year and when that one year was finished there was a six-month extension. The provider indicated that if they do not change that six months to one year he will withdraw the vessel from service. It went to one year. And then Minister Hinds indicated a while ago that in December although there was a contract up to April, the end of April, the provider indicated that he will pull the vessel in February. So there has been a history of commercial advantage and unfortunately in 2017 the vessel left after threatening to leave since 2015.

Mrs. Jennings-Smith: Minister Sinanan, through you Chairman, what we have heard throughout this entire question over the past two days, certainly we know now that you were nowhere involved in the procurement of any vessel for the port. It has been established both by all concerned and even by the last person who faced this Joint Select Committee.

In going forward now, I would like to know from you, because in questioning some of the former speakers it was revealed that, you know, there are a lot of problems on the port with regard to transportation of the vehicles, the

parking of the vehicles, and in your capacity as Minister of Works and Transport, I know surely you would be interested in alleviating some of those problems because persons using the roadway on certain days of the week, you know, when the port is loading or offloading you have long traffic jams. In going forward, what do you propose to do as a Minister with regard to that issue in alleviating some of those problems in the port and the users on the roadway around the port?

Mr. Sinanan: You know, I want to put this into context, the ferry service is just about 20 per cent of the port. And I do not think the population understands that the Port of Port of Spain is just not about a cargo service to Tobago and a ferry service to Tobago. That is just about 20 per cent of the port. The port has a lot more problems than we think and I do not think simple parking facilities and so will solve the problem.

The Port of Port of Spain has serious challenges and I think the board would have made it quite clear and based on some of the outburst that I saw at my office on the television looking at this programme, clearly we have some serious managerial problems as well. I am not going to hide behind that. The new board of the port has a mandate and they spoke about their business plan and to refocus the port to be a more profitable organization. As Minister my job is to ensure that I try my utmost best to ensure that they get the resources required to turn around the port.

Mrs. Jennings-Smith: Last but not least, when we look at the vessels that we have, like the *Warrior Spirit* and the other one, what came out quite clearly is not only basic maintenance, but in some instances overhaul of those vessels. As the Minister, what is your opinion with regard to the continued maintenance and overhaul of those vessels and the cost to the country, bearing our situation at this point in time with respect to our economic status?

Mr. Sinanan: The Cabinet would have already taken a decision where in terms of one, the cargo vessel, where we went out for a one-year time charter. Sometime soon the Port Authority will go back out again for a three-year, which will give the Government the space to procure a new cargo vessel. The Cabinet has already approved that.

In terms of the passenger vessels, there is a tender out now for a vessel for a two-year with the option to renew for a third year. Again that would give us enough time to deal with the two vessels that we have and to make that decision whether we are going to keep the vessels, procure that new passenger vessel, but what is more important is that if we do not want to find ourselves in this position again we just cannot buy vessels and put them here, not proper maintenance and 15 years down the road we start to look at the problem again. That is exactly what happened here. We must have a system where if we have two vessels we “doh” wait on two of them to run aground. After a couple of years you replace one. So you have a rotation of vessels so that at any point in time your fleet will be in a good condition and the age of the fleet would not be where both vessels have passed their lifetime.

Mrs. Jennings-Smith: Mr. Minister one cannot escape your urgency and your desire to make change on the board and we saw variances with regard to the management of the port versus the board and it was also suggested that what was required is whole restructuring of the port and its operations. As the Minister, as the line Minister, what are some of your concerns and your plans in going forward into making higher productivity and even to the point of profit margin, increasing profit margin?

Mr. Sinanan: Again I just want to come back. As the line Minister I do not do the day-to-day managing of the port. We have a board of commissioners at the port

and as the Minister I will give them, to ensure that they stick to the Government policy and the vision of the Government for the port. They would have been given a mandate and I can assure you the mandate that they have is to turn that port around, whatever it takes.

The port is in a bad state and we cannot continue with the port. I do not have the exact figures as to the amount of money the citizens are pumping into the port every year and the figures keep going up and up and up and there is no system in place to cut expenses on the port. Whereas we find that the amount of revenue generated by the port and the amount of containers coming through the port have significantly reduced over the last couple of years, the expenditure in the port keeps rising. The port needs some serious capital expenditure. Some of the cranes that we have there are, I would say coming close to the end of their lifespan. And these are some of the things that this new board has to look at.

The port has to find a way to stop being a ward of the Minister of Finance and this new board has to find a way to do that. And I think the expertise on the board, headed by the Chairman, Alison Lewis, I think we have the expertise there and I think the display that they had here yesterday and today, I do not think anybody in Trinidad and Tobago could question their full understanding of what is required at the port.

7. 35 p.m.

Having said that though, I cannot just sit here and not make mention of something I was very disappointed in. When people make their mind up to serve in the country in any capacity, whether it be as a chairman of a board, a board member or in politics, it is not nice that when they demit office, that even the people they served with will make derogatory statements about them. I was very disappointed in some of the things I am hearing about the former chairman of the port. If we

continue like that we will not get good people to serve in this country. And as politicians we have to be minded of that in some of the things we say, and as citizens we must recognize that. I was really disappointed when I listened to some of the comments being said about people who have actually made the big step in serving this country.

Mr. Chairman: Thank you, Minister.

Mr. Paray: Thank you very much, Minister Sinanan. On your last comment there I want to totally agree with you because I have always been told that, as an MP, when people greet you with teacup and saucer, it is not you they are giving it to, it is the office that you hold and I am sure these very same people who occupy boards and state offices, we must be mindful that our actions will determine how people treat us when we no longer have office.

Minister, I just want to, in terms of my understanding of a lot of the testimony concerning the *Super Fast Galicia*, I am of the opinion that the *Galicia*, in terms of operation, worked well. As a vessel it delivered cargo, it delivered people between Trinidad and Tobago and there was very little operational issues in terms of the transactional ability to move people and cargo. There is an issue of the draught of the vessel and potential damage to the Hyatt and so on which one of the persons giving testimony yesterday said that divers and so on went down and there were no structural damages. We had confirmation from someone from the Port Authority board who said yes they had a report and there was no damage. So all in all the service was a good service.

I heard testimony that when you became Minister, the proposition of the *Super Fast Galicia* for an extension came to you and you commented and I think the person who made the comment was stopped during the conversation. But they said you used the phrase that you were not going to be held to ransom and not only

did she say that, I heard it in the media also. The deal apparently could not sit well with you as line Minister and nobody is going to hold the Government and your Ministry to ransom. My question is, what specifically in that arrangement or that document or that information that you would have received concerning the *Galicia* that you felt was holding the country to ransom.

Mr. Sinanan: Okay. Let me refer to that statement. I saw that statement. It was a letter that came to me in February from the management of the port, direct to the Minister. I found it strange that the management was writing to the Minister recommending a five-year contract; a three plus two. I did ask if this was a normal process and I was told no, but following up, I said well look, let us find out if the board instructed the management to do that. Well I think it was clear yesterday by the entire board—and I found it strange that the entire board agreed on something—that none of them gave instructions to write that letter to the Minister.

It was one of the few things they agreed upon yesterday. I requested the Notes. What I found is that there were no confirmation of the Notes; well I heard the explanation for that. But what I also found in the Notes was that there was no directive to write the Minister in the Notes. But here I was as a Minister being written to by the management asking—recommending a five-year contract which I thought— That proposition was given to me in December by Mr. Powell and my indication was clear on that instance that I was not prepared to go to Cabinet to ask for a five-year contract that would cost this country in excess of \$200 million, way in excess of \$200 million, without a tendering process and the proposition presented to me there was that if this does not happen then the boat will leave.

Now, again, going through the file, it was not the first time I was reading that if I do not get this, I gone. I think it was the third time. I do not think that anybody in this country would be happy with a Minister taking a decision to renew

a five-year contract that would cost in excess of \$200 million.

Mr. Paray: Let me ask you this, Minister, is a three-year contract with an optional one by one the same weight as a five-year contract?

Mr Sinanan: Well the thing about it is that when I was written to in December when I had the discussion, it was a five-year contract they put on the table. When I got the letter I saw three plus two. Now whether it is five years, whether it is three years, the Government policy is that we should go out for a tendering process and if the provider thing wins the tender, the provider gets the job. But there was some conversation, well they had gone into four, five tenders; I do not want to get into that aspect of it. I just want to say that it is not my policy to go to Cabinet to renew a contract without a proper tendering process. And this is not a one-year or a two-year contract. This is a three plus two-year contract. It is not a six-month extension. Okay, so I just wanted to—

Mr. Paray: Let me ask one more issue on that particular item. The daily cost for that *Galicia*, from my understanding, was around US \$15,000 per day—euros, sorry, thank you. And today—well we only have one vessel today—I understand that the price for the *Cabo Star* is over \$22,000. In trying to understand the operational cost of this vessel versus not finding a way forward with the *Super Fast Galicia* that would have brought the relief or continue to deal with the sea bridge in a reasonable way, the fact that the vessel that we have now, the *Cabo Star*, has the same challenges in terms of its draught, it is a bigger vessel.

You know, when Ms. Lewis, the chairman, spoke yesterday I asked her, I said “Ma’am, when you came in and you found the port in crisis, was the option of having the *Galicia* stay until something could have been done in the immediate term” she informed me that someone told her that that matter had gone a legal route and was before the Attorney General and it was not an option for her. What

in the information that you had that said that you were being put to ransom, is there any part in that would have fallen into something that was illegal or would have created that legal issue, or what was that legal issue that stopped the *Galicia* from being an option to continue?

Mr. Sinanan: Let me go back to your first question and try to answer it in that context. You said that the *Super Fast Galicia* was 15,000 euros and this vessel is US \$22,000, if you calculate the euros to the US what is not mentioned there is the fact that a barge had to be rented for a thousand-something US, there was additional staffing that had to be provided and there are a lot of additional cost that the Port Authority would have taken up that is outside of the charter party agreement. So that would have carried the cost up.

Now remember, this vessel that the port procured for 22,000 euros was as an emergency and on a short-term basis for one year. From what I have been told in the maritime sector, and I am no maritime specialist, is that once you procure a vessel for a short term, meaning a year and less, the rates are higher. Now, the port could have gone out and said look, three years, but the reason for the one year is to give you that time that you could go out for a proper procurement, because this vessel was selected from unsolicited tenders. They went out for a vessel, they did not get a vessel, they got one option, I think it was a cruise ship or something, and then they looked at the selective tenders. It would not have been a smart decision to take a vessel from the selective tenders on a long term although you may have gotten a better price.

So, the reason for going for one year we knew that the price was a premium, but in the interest of proper procurement the thought was let us go for one year, then we would go for the long term three years, and that would give the Government the time to procure a vessel owned by the State. And, it was in that

context that we would have paid more for the vessel because it was a short-term agreement.

All right. So that is to deal with the price. And let us not think that the 15,000 euros was the final price of the *Super Fast Galicia*. It was not. The *Galicia* had additional cost that was taken up by the Port Authority whereas this vessel does not have those costs because we do not have to rent a barge and some of the additional costs.

You spoke about whether the option, bearing that in mind, keeping the *Galicia*. The Ministry who would sign the charter party would have sent a pre-action protocol letter to Intercontinental letting them know that they were breaching their contract. However, my understanding, and based on the letter sent by Intercontinental is that the owner of the vessel insisted that the vessel had to go back to Gibraltar; the owner of the vessel. Intercontinental was not the owner of the vessel. Intercontinental chartered the vessel from someone and chartered it to the Government of Trinidad and Tobago. And, I do not want to get into whatever arrangement they had. I would just leave it at that.

Mr. Paray: I have one last question before I finish, Minister. We raised the issue earlier on of the charter agreements being signed before the Cabinet Notes, and I want to ask if you were aware that these charter agreements were signed by the Ministry before you took the Notes to Cabinet.

Mr. Sinanan: I heard that yesterday. It was put to the Chairman of the Port Authority and she had directed that question to the Ministry team. I also looked at the Ministry team in their presentation and they debunked that. The party charter agreement was never signed before the Cabinet approval and I think the Permanent Secretary in the Ministry explained the full process of that exercise and I just want to put it on the record again, the charter party was never signed before the Cabinet

approval.

Mr. Paray: Mr. Minister, I hear you and I heard the explanation, but you are using a strong term that it was never signed. We have two documents here that have signatures that has the date the 17th of the sixth, 2017 which is, in one instance, a couple days before and the other one about five days before the same Ministry supplied dates when the Cabinet Notes came.

So it is difficult—

Mr. Sinanan: But what you have, you have documents there but what you do not have in front of you is a Cabinet Note.

Mr. Paray: I have a note from your Ministry.

Mr. Sinanan: No, but you do not have a Cabinet Note. A Cabinet Note is different.

Mr. Paray: But we have the number of the Note and everything. So a note was written. All I am asking is if—

Mr. Sinanan: I was informed by the Permanent Secretary that one of your requests this morning was further documents and she had agreed to send that to you. Obviously I do not know if Cabinet Notes are allowed to come out, but the Permanent Secretary, through the legal department, will try to facilitate all the documents that will clarify that.

Mr. Paray: Okay. Well I have a document from the Ministry that was submitted in the docket under the Ministry of Works and Transport that has a document with some dates and times with some Cabinet Note numbers stating that Cabinet Note 1100, I believe, for one of the vessels, I cannot remember which one, was done on the 20th of June whereas that charter agreement was signed on the 17th.

7.50 p.m.

Mr. Paray: Okay, well, I have a document from the Ministry that was submitted in the docket under the Ministry of Works. It has a document with some dates and times, with some Cabinet Note numbers stating Cabinet Note 1100, I believe for one of the vessels, I cannot remember which one, was done on the 20th of June, whereas that charter agreement was signed on the 17th. And there are signatures and there are dates. So I am working with the documents that I have.

Mr. Sinanan: That is a discussion that I heard this morning and the Permanent Secretary would have gone through the legal implications, how it was done and it was done with the law and she promised to facilitate the documents to you.

Mr. Paray: But were you aware?

Mr. Sinanan: I am aware—

Mr. Paray: You are aware that it was signed before you brought the Note to Cabinet?

Mr. Sinanan: I am aware that it was not signed before Cabinet approved it.

Mr. Paray: Or you were not told that it was signed?

Mr. Sinanan: No, no, I am the line Minister. I am the line Minister.

Mr. Paray: But I have the documents with a signature and a date.

Mr. Sinanan: I do not get involved in certain things but I monitor very closely and I can give you the assurance that the charter party agreement was not signed before Cabinet approval—

Mr. Paray: Okay, so because I would be concerned as a Minister.

Mr. Sinanan: If it was signed before, I can tell you I, as Minister, would be very concerned.

Mr. Paray: And I mean, I would be very concerned.

Mr. Sinanan: And that is why as the Minister, I am telling you, it was not signed

before the Cabinet approval. I am also a Member of the Cabinet.

Mr. Paray: I agree, but my concern is that if you were not aware—

Mr. Sinanan: No, I was aware.

Mr. Paray: No, you were aware that it was not signed. We are saying we have documents here that was signed so I will go with the assumption that you were not aware that it was signed.

Mr. Sinanan: You will get the documents that will clarify the documents that will clarify the documents that you have.

Mr. Paray: Then it means that how would Cabinet interrogate that Note when all members of Cabinet have to believe that this thing, we are giving approval, whether they knew that these charter agreements were already in place.

Mr. Sinanan: You see, again, I do not want to go into an argument that we can go whole night. The question is there for further information and the Permanent Secretary has agreed to facilitate the Committee with the relevant information that will clarify the position.

Mr. Paray: Fair enough. Thank you, Minister.

Mr. Khan: Yeah, I want to speak, very briefly though. Minister, it is obvious to me from the behaviour of Intercontinental with this *Galicia* matter who came in with a six-month extension that morphed into a one-year to a six-month extension that morphed into a one-year extension and then morphed, I think, into a two-year extension. They wanted to, granted that their performance is supposedly would have been acceptable, but they wanted to keep that arrangement of extension virtually ad infinitum with Trinidad and Tobago and continue to demand a longer and longer tenure in terms of their contract.

And when they got the impression from yourself as the Minister in particular that that was not on the table and that this administration wanted a more

transparent process for the acquisition of such an expensive facility and a facility that is so fundamental to the lifeblood between our twin-island state, they attempted to use—I do not want to use the word “blackmail” or put you under duress or hold you for ransom. The fact that they would withdraw the vessel if we did not or if you did not, as Minister, concede to their request. Is that a fair statement to make?

Mr. Sinanan: The thing about it is that I met the provider Mr. John Powell and Mr. Powell is a businessman and there were some commercial benefits to him keeping the vessel here and I think he would have been doing what most businessmen would have done. Use the advantage of having the vessel here. I have to be very careful in the words that I use to say—I must admit that sometimes I was frustrated and I did use the word “blackmail” this, things like that. Mr. Powell used the advantage that he had and he was successful in 2015. Because what is strange, in 2014, is that this vessel went into a tender for six months and based on the information that arose in the file, there was a conversation with Mr. Powell and management at the port, and he suggested to them that you spent so much money to bring the vessel here, “why yuh doh just give me ah year” and they give him a year. To me, that is strange because if I am giving you a longer contract, I expect a better price. There was no change in the cost.

Subsequent to that year, which would have taken them to April 2015, there was a Cabinet Note in 2015 suggesting a six-month extension. Again on the file, on conversations with the charter and the port, it was indicated that if we do not get a one-year, the vessel would have to leave and the Government then took a new Note to Cabinet and changed the six months to one year which took them to 2016.

And then I am seeing a letter which Minister Hinds spoke about in December of 2015, although they had a contract up to April 2016 suggesting that if

I do not get a two-year, then the boat will leave by the end of February, ignoring the fact that you had a contract up to April. And in my tenure, on the file, it suggested, again, by the legal opinion that there is an 18-month contract in place but in December 2016, I am asked now for a new five-year contract or else the boat will leave in February. So what did I do?

In December, I immediately asked the board to get the specs because we have to go out for a tender. I mean, you heard yesterday, the older board saying—I heard one commissioner saying in a meeting when they could not agree and they were arguing, the Minister said, “well look, if alyuh cannot agree, gimme all that you all have and we will decide for you”. That was the specs for the vessel, because I recognize, in as early as December and January that we have a serious problem on the sea bridge. Thank you.

Mr. Khan: Okay, and I have one final question. The famous letter from the management of the port to the Ministry. Up to earlier today when I was questioning the CEO of the port on that matter, I was under the impression that the letter was addressed to the PS and now I have heard even much to my surprise that it was actually addressed to the Minister. I questioned her at length to what was the authorization on that; she insisted that it was board approved and there was discussion and what have you, what have you. You have indicated and I did in fact indicate to her that if it is one thing the board agreed even, though there was division on the board, was that no such instructions were given and there is no confirmed Minute or no resolution of the board to the effect that the management was authorized to write the Minister, recommending or requesting that the Minister approve a three-year contract, with two one-year possible extensions.

If what was revealed by your good self as the line minister and what was revealed by the board and if the documentations should so indicate, I think that it is

an extremely serious breach on behalf of the management that I would want to recommend that further investigation go into that matter with possibly, some form of disciplinary action to the parties that have been involved in that exercise because that was a clear—if what we are being told is right—a clear act of insubordination and to some extent sabotage. And I will want to urge you as the line Minister to have an investigation in that matter and see if what is being articulated to this Committee is in fact true.

Mr. Mark: Mr. Chairman.

Mr. Sinanan: Could I just answer the—sorry, Sen. Mark. I have asked for a full report on that. I do have in my possession the Minutes. The Ministry is looking at it and they will be writing to the port very soon on it.

Mr. Khan: Okay, thank you Minister Sinanan.

Mr. Mark: One of the things I would like to say, before I put my question, that this Committee, this JSC, does not and it is not used as an instrument of oppression against any individual who has come before this Committee and has the cover and protection of parliamentary privileges. So I want to issue a warning this evening that that dangerous statement coming from the Minister is intolerable, inexcusable, and unacceptable. Any witness that has come before this Committee has the full protection of the law and no Minister can direct you to go and launch an enquiry, an investigation to witch-hunt a worker who has been invited here by this Parliament and who has given evidence under parliamentary privilege to witch-hunt that person. That is a dangerous development. So let me just my point before I continue.

I want to ask the Minister, the Prime Minister has said that this whole situation has been a “crooked” one. I want to ask you, as the Minister, do you agree with the Prime Minister's statement? This whole *Cabo* and *Ocean Flower*

procurement. Do you agree with that?

Mr. Sinanan: I can only answer based on the information presented to me. I can only act on the information and the advice given to me by the board and based on the information presented and the documents presented, I have not seen anything in front of me presented to me that have focused me in that direction. However, the Prime Minister is the Prime Minister and—

Mr. Mark: So you disagree with the Prime Minister?

Mr. Sinanan: Could I finish? And the Prime Minister will obviously have more information than I would have. So I wait to see the results of the investigations and the report of this Committee.

Mr. Mark: Mr. Minister—

Mr. Chairman: Member Mark, you had asked for one question.

Mr. Mark: Yeah, just one more.

Mr. Sinanan: “Give him ah next one, nah. Give ah next one.”

Mr. Chairman: You had availed yourself of some 19 minutes earlier. Good, so—

Mr. Mark: Yeah, do you believe—

Mr. Chairman: Member Mark.

Mr. Sinanan: “Give him ah next one, nah.”

Mr. Mark: I am being called by the Chairman so as a disciplined democrat I have to listen.

Mr. Chairman: I have waited my turn as a member of this Committee and I have afforded everybody else that opportunity. Right?

Mr. Mark: You go ahead, Chairman.

Mr. Chairman: I even waived my opportunity with the previous Minister and gave that.

Mr. Mark: You go ahead. The floor is yours.

Mr. Chairman: Minister, I want to draw to your attention, further to the point raised by the Vice-Chairman that the submission from the Ministry, your Ministry which I believe would have been vetted by your Permanent Secretary. On page 6 of that, item under response to page five, question nine and the question was: did Cabinet approve the procurement/charter of the following vessels? If so, please provide the date of the Cabinet approval and Cabinet Note reference.

8.05 p.m.

Response No. 7: *Cabo Star*. Cabinet Note No. WT 17(41) dated June 20, 2017, and Cabinet Minute No. 1100, dated June 22, 2017. Item 8: *Ocean Flower 2*: Cabinet Note No. WT 17(40) revised, dated June 30, 2017 and Cabinet Minute No. 1197, dated July 02, 2017.

So this is the information supplied by your Ministry, presumably vetted by your Permanent Secretary, and the covering document was signed by Yearwood, Permanent Secretary, acting. August 30, 2017 is the covering letter which provided this package of information. So that the MP and member of the Committee's point about the conflict between the charter agreement date and the Cabinet approval appears to be vindicated by the submissions of the Ministry. Do you care to respond to this now, Sir?

Mr. Sinanan: Again, Chairman, the request that came, page six, to question—and you wanted the dates of the Cabinet approval and the Cabinet Note. The Cabinet Note was a ratification. I think the Permanent Secretary, this morning, went through the process of the approval, which was sought on the 16th where the Note went to the Attorney General and the Prime Minister, where the approval was sought and it went to Cabinet on the Thursday for ratification. So I think the Permanent Secretary would have made a case in explaining the process used, which is an acceptable and approved process in the case of an emergency.

So, yes I understand your point on what have been submitted and the Permanent Secretary will take every step to send the corresponding documents to clarify that.

Mr. Chairman: So you are saying then that this information is inaccurate?

Mr. Sinanan: It is correct. Because the Note was a ratification.

Mr. Chairman: So you are saying there was a prior submission to Cabinet and these are the dates of when the minutes of the meeting was ratified?

Mr. Sinanan: Right, there was a prior—[*Interruption*]

Mr. Chairman: It is not my job to conclude—

Mr. Sinanan:—submission for approval, which on the 16th and the Note here is the ratification, which was done on the Thursday. The 16th, the contract was signed on the 17th, and ratification was done on the 20th. Was it?

Mr. Mark: That is not what the information says before us.

Mr. Sinanan: Well, okay we would have to correct that information.

Mr. Chairman: Minister, the information we have here—if your Permanent Secretary wishes to submit further information we would not refute it. It is not my job, at this point in time, to conclude on behalf of the Committee what our findings are with regard to these pieces of information. The Committee, when it gathers its resources to draw its conclusions from all the information that has been brought before it, both verbal submissions, like what you have done today, and these written submissions, would make its conclusions.

I just wanted to afford you an opportunity to assure you that the member was not speaking out of turn and that there were documents with the information which he was trying to purvey to you.

Mr. Sinanan: My Permanent Secretary has given the assurance—

Mr. Chairman: The Committee will meet in its private sessions and draw what

conclusions it may wish to do.

Mr. Sinanan: And the Permanent Secretary, this morning, Mr. Chairman—

Mr. Chairman: At this point in time I would like to afford you the opportunity to make some closing remarks.

Mr. Sinanan: Thank you, Mr. Chairman. I thank the Committee for the opportunity to place the facts within my knowledge on the records. The chips must fall where they may. The public is entitled to know the facts so that the truth can prevail in this matter. I thank you.

Mr. Chairman: Well Sir, I want to thank you for your candour and for the time and your patience in waiting till we got around to you. I know it has been a long evening and a long day. I would like to thank the staff too who probably turned up for work since eight o'clock, good. So, this session is adjourned.

8.10 p.m.: *Meeting adjourned.*