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# Multi-Billion Dollar Construction Bundling Strategy Draws Concern That Local Contractors May Be Left Out; ODR Thinks Otherwise

## Rebuild USVI initiative sparks debate over local contractor participation

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Nelcia Charlemagne **March 23, 2024**

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Lawmakers are concerned that a new plan to expedite federally funded reconstruction projects could leave local contractors out in the cold.

Rebuild USVI, [announced in January](#) by Governor Albert Bryan Jr, is aimed at tackling the current backlog of territorial disaster recovery projects by creating multi-million dollar bundles and attracting capable international contractors to complete the work. The project, which will be run under the purview of the Office of Disaster Recovery, was conceptualized because

“reconstruction cannot be conducted in a business-as-usual fashion,” according to ODR Director Adrienne Williams-Octalien.

Calling it a “historic and ambitious” initiative, Mrs. Williams-Octalien told members of the Senate Committee on Disaster Recovery, Infrastructure and Planning on Friday that the initiative would be one of the “largest and most concentrated infrastructure investments in the Caribbean region.” ODR has already begun conducting market research in several mainland states and met with several large engineering, procurement and construction companies, Ms. Williams-Octalien told lawmakers, with mixed results. While several firms were interested, they found the way the recovery effort is currently structured somewhat off-putting. To attract tier-one contractors, GVI needs to “change the way we do business,” the head of ODR declared.

Though most legislators were in support of the intent of the initiative, several wondered whether local contractors would have sufficient ability to participate in bidding for the bundled projects. Ms. Williams-Octalien noted that there were several hundred projects in the pipeline over the next two years that would not be included in the bundles. “We’re going to need every contractor that is able to work on these projects to be able to push this forward.”

Additionally, even in the longer term, she reported that international firms have expressed a preference to utilize local talent. Through Rebuild USVI, ODR expects that international contractors with the necessary bonding to take on multi-million dollar projects will subcontract the services of local professionals. “It’s more cost-effective,” Ms. Williams-Octalien explained. She told lawmakers that “our local contracting community will have every chance to participate fully in this once-in-a-generation opportunity.”

Part of ODR’s efforts in this regard was an "Industry Day" event in December, where contractors in the territory were informed of upcoming reconstruction projects and given an opportunity to network with larger, mainland contractors as well. “I want to emphatically state our intent is to continue to have our projects executed by Virgin Islanders,” Ms. Williams-Octalien assured, while Derek Gabriel, commissioner of the Department of Public Works, confirmed that some level of training and preparation has continued after the Industry Day event, with more to follow in the coming months.

Meanwhile, Senator Kenneth Gittens wondered whether ODR has developed a backup plan ahead of the 2024 presidential election. “We’ve heard the Republicans talk about a clawback on some of these disaster fundings,” he remarked. Mr. Gittens was concerned that this could be a reality should the GOP regain control of the White House and Congress.

Mrs. Williams-Octalien was less worried, telling Mr. Gittens that ODR is optimistic about getting “solicitations out and get[ting] the funding obligated because they won’t claw it back immediately.” In the worst-case scenario, the GVI will have to “write letters and lobby to make sure that we keep the funds,” but for the ODR director, “that’s a Plan B that we don’t want to get to.”

Earlier this year, the GVI [successfully negotiated](#) to reduce its cost-share percentage for federal recovery funds. On Friday, Ms. William-Octalien reiterated to lawmakers that the [additional support](#) was contingent on having all projects obligated by September 2024. If the territory fails to meet this deadline, matching percentages for both 428 fixed cap projects and other disaster recovery projects will revert to 10 percent each. Additionally, the GVI has 11 years - until 2035 - to complete the projects approved under the reduced cost-share agreement.

