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Port Hamilton Says it is Owed Millions by Ocean Point For Use of Equipment, Seeks Compensation Through Quantum Meruit Claim

Lawsuit focuses on unpaid services for equipment use, missing inventory, and compensation for damages to property

Business / **Published On June 17, 2024 04:48 PM /**

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Aerial shot of the refinery and the terminal on St. Croix, USVI. By. V.I. CONSORTIUM

Port Hamilton Refining & Transportation is striking back at Ocean Point Terminals, filing a counterclaim in an ongoing court battle over alleged breach of contract.

In 2022, Limetree Bay Terminals [filed for damages](#) against Port Hamilton, claiming that the latter had failed to pay millions of dollars owed for services provided by Limetree whose cost was

supposed to have been shared by both parties. By the time an [amended complaint](#) was filed in April 2023, Port Hamilton's debt to the company which had by then rebranded as Ocean Point Terminals stood at around \$9 million.?

In answer to the claims from Limetree Bay Terminals/Ocean Point Terminals, Port Hamilton argued that the services provided under the agreement were not up to par, overpriced, and improperly charged.

On Friday, Port Hamilton filed a counterclaim in the lawsuit, arguing that it is in fact Ocean Point who owes Port Hamilton and not the other way around. In the eight-page document, Port Hamilton first seeks to explain how Ocean Point gained control of equipment that allegedly rightly belongs to the new owners of the refinery.

“When LBR [Limetree Bay Refinery] declared bankruptcy in July 2021, Ocean Point took over operation of equipment previously operated by LBR because LBR had been supplying services to Ocean Point and there was no one to run the equipment to provide Ocean Point with the services it needed,” Port Hamilton's lawsuit states.?

Through a [bankruptcy auction](#), Port Hamilton gained control of all of Limetree Bay Refinery's assets. Despite the change of ownership, Ocean Point “continued to operate and use this equipment for its own benefit even though it is owned by Port Hamilton,” PHRT's counterclaim states. That usage has reportedly been free of charge, as Port Hamilton's lawyer's claim that despite receiving invoices with supporting documentation, “Ocean Point has never compensated Port Hamilton for the value Ocean Point has derived from its share of the usage of the equipment.” PHRT estimates that value to be over \$4.6 million as of May 2024.

?Ocean Point is also accused of having “used items from Port Hamilton's inventory for its own purposes with a value of \$353,327.27,” and made modifications to Port Hamilton's equipment which will cost approximately \$150,000 to rectify.

Port Hamilton further claims that Ocean Point has over-billed it by more than \$7.6 million under the shared services agreement, and additionally refuses to provide any supporting documentation to justify the charges levied against PHRT. As such, Port Hamilton says it continues to refuse to pay those charges that are currently in dispute.

“When Ocean Point's ledger is adjusted to reflect properly supported invoices, the value of services and goods that Ocean Point has received from Port Hamilton (or converted from Port Hamilton), rather than Port Hamilton being indebted to Ocean Point in actuality Ocean Point owes Port Hamilton \$1.699 million,” PHRT's counterclaim concludes.

Port Hamilton is pursuing a quantum meruit claim, in essence asking the court to award it compensation for the value of the benefit Ocean Point received from using PHRT's equipment and facilities. The refinery owner is also claiming conversion and waste, as evidenced by Ocean Point's control over assets allegedly owned by Port Hamilton, and its failure to properly care for and maintain that property. PHRT asks that any damages awarded to satisfy the claims of waste be trebled, pursuant to prevailing Virgin Islands law.

Ocean Point has not yet responded to the claims raised on Friday by Port Hamilton.