

Image not found or type unknown

Arthur A. Richards School Costs Surge from \$159 Million to \$264 Million as Officials Defend Spending and Project Changes

The sharp rise in project costs has prompted ODR and VIDE to introduce revised contract terms, launch a Super PMO, and bundle school projects to improve oversight and reduce costs in upcoming construction efforts.

Exclusive / **Published On January 29, 2025 07:44 AM /**

Ernice Gilbert **January 29, 2025**

Image not found or type unknown



The Arthur A. Richards PreK-8 School under construction at the former Evelyn M. Williams Elementary School site in Mount Pleasant West, St. Croix. By. ERNICE GILBERT, V.I. CONSORTIUM

The cost of constructing the new Arthur A. Richards PreK-8 School at the former Evelyn M. Williams Elementary School site has surged from \$159 million to \$264 million, according to officials from the V.I. Office of Disaster Recovery and the V.I. Department of Education. The increase, driven by change orders, inflation-related adjustments, and additional design features, has raised concerns about contract management and funding impact on other school rebuilds across the territory.

A significant portion of the cost increase—estimated at \$30 million—stems from additions requested by the Department of Education, including a swimming pool, stormwater drainage enhancements, and covered walkways. Officials have attributed the escalation to the design-build contract structure, where costs are not fixed at the outset but evolve as project designs are finalized.

In [August 2022](#), VIDE and ODR announced a \$3 million demolition project for the abandoned Evelyn M. Williams Elementary School, clearing the way for the new Arthur A. Richards facility. Demolition, overseen by Eleven Construction, began in late August 2022 and took approximately four months to complete.

At the time, then-Education Commissioner Dionne Wells-Hendrington described the milestone as the first major step in the Virgin Islands' school rebuilding effort following the devastation of the 2017 hurricanes. ODR Director Adrienne Williams-Octalien echoed this sentiment, calling the process "an arduous task" but emphasizing that the new facility would be built to modern, resilient standards comparable to schools on the U.S. mainland.

\$100 Million Cost Increase

Williams-Octalien explained that the contract for Arthur A. Richards operates as a design-build agreement, meaning that costs were not finalized at the contract's execution. The original \$159 million estimate was based on bridging documents representing only 30% of the final design. As construction progressed and design elements were finalized, costs rose significantly due to design modifications, inflation, and additional features.

"So remember, it's a design-build contract, right?" Williams-Octalien explained. "It's not necessarily a firm fixed-price, because what you do is you put it out on bridging documents. So, it's kind of like just a 30% design with an understanding that you're going to finalize the design elements, and then you continue to finalize the scope and the design and then get to a fixed cost."

Among the major additions contributing to the cost increase:

- A swimming pool, requested by the school's advisory board and the Department of Education.
- Stormwater drainage improvements, including retention pond relocation and runoff management measures.
- Covered walkways and structural enhancements.

While these modifications increased project costs, Williams-Octalien confirmed that MCN Build, the contractor, absorbed any further expenses beyond the negotiated change order.

Both ODR and VIDE officials pointed to FEMA's 428 funding mechanism, which allows funds from shuttered schools—such as Charles Emanuel—to be redirected toward active projects.

This funding flexibility ensures that schools like Arthur A. Richards remain fully funded, but it also limits available resources for other school rebuilds. The Consortium raised concerns that shifting funds from one project to another may reduce opportunities for additional school enhancements.

"We've learned from this process, and we are applying those lessons to every school project moving forward," Wells-Hendrington stated, acknowledging the balancing act between funding allocations and project execution.

Williams-Octalien described the cost increase as the result of extensive negotiations, calling it "an unpalatable change order" that the Department of Education debated for a long time with MCN Build.

In response to cost overruns and project management challenges, the ODR and VIDE have implemented new oversight measures and contractual adjustments to prevent similar escalations in future school projects.

These measures include:

- Revised contract language to enhance cost controls in design-build agreements.
- The launch of the Super Project Management Office (Super PMO) to provide centralized oversight of major school construction projects.
- Bundling school contracts to attract competitive bids from large-scale contractors.

"The Super PMO is now launching these new school builds," Williams-Octalien explained, adding that its role is to ensure that provisions within contracts align with both the building and procurement types to prevent mismanagement and unnecessary cost increases.

She also noted that earlier contracts were based on templates designed for fixed-price models, which lacked necessary protections for design-build agreements. The Arthur A. Richards project was one of the first large-scale ventures of this kind, leading to delays in finalizing subsequent contracts. However, these challenges allowed officials to identify weaknesses and strengthen future agreements before moving forward with additional school construction projects.

The Arthur A. Richards PreK-8 School is part of a territory-wide initiative to rebuild and modernize schools in the wake of the 2017 hurricanes.

Officials confirmed that 43 educational facilities are part of the broader rebuilding effort, with approximately 75% of them slated for reconstruction. Some schools are being bundled into single contracts, such as a five-school project on St. Thomas, to improve efficiency and reduce costs.

Completion Expected by 2026

Despite earlier setbacks and cost increases, officials maintain that the Arthur A. Richards School remains on track. Governor Albert Bryan Jr. confirmed during his State of the Territory Address that the school is projected for completion by summer 2026.