

Dowe's Airport Modernization Project Set to Begin This Year as Lawmakers Seek Clarity on VIPA Employees' Future

VIPA's airport modernization project is set to begin this year in both districts, with completion expected in five years. Aviation employees decide whether to join Sky City with a 401K plan or remain with VIPA and retain their GERS benefits.

Development / **Published On March 11, 2025 06:07 AM /**

Nelcia Charlemagne **March 11, 2025**

Image not found or type unknown



VIPA Executive Director Carlton Dowe By. V.I. LEGISLATURE

“No matter what happens with this P3 relationship, please take care of our people,” said Senator Hubert Frederick, chair of the 36th Legislature's Committee on Economic Development and Agriculture. His impassioned appeal was directed towards V.I. Port Authority Executive Director

Carlton Dowe, who testified before the committee on Monday.

VIPA testimony focused on air and sea port developments, including the new public-private-partnership (P3) project to [modernize the Cyril E. King and Henry E. Rohlsen airports](#). A group of partners operating under the name Sky City is now tasked with the design, financing and construction of the airport, and will run day-to-day operations thereafter.

“I want to take this opportunity to restate that the territory’s airports are not being privatized,” stated Mr. Dowe in his testimony. “VIPA will remain the owner of both airports and will continue to receive all federal grants from the Federal Aviation Administration.” What will not remain an asset of VIPA, however, will be at least a portion of the aviation staff.

In [October 2024](#), Mr. Dowe informed members of the Committee on Budget, Appropriations, and Finance that Sky City intended to make employment offers to all 78 aviation employees. The offer, though extended to all, is not a requirement, and employees would be free to decide whether they wanted to be absorbed by VIPA and retain their benefits under the Government Employees Retirement System (GERS). Conversely, those who accept the Sky City offer would receive refunds of their contributions made to GERS and move forward with a 401K package from their private-sector employer.

At that hearing, Mr. Dowe testified that several employees were on the fence, with a desire to retain GERS benefits a major factor. Lawmakers, meanwhile, were concerned about what the departure of several VIPA staff from the GERS would mean for the entire system.

During Monday's testimony, Mr. Dowe told lawmakers that employees received offers from Sky City on February 27, 2025. The receipt of the offers followed a “401K and GERS workshop and meet-and-greet sessions with Sky City representatives,” per Mr. Dowe. “VIPA also hired an independent consultant to provide one-on-one guidance and support for any employees with questions about the process,” he testified.

“We expect completion of all employee offers before the end of summer,” said Mr. Dowe.

Mr. Dowe has touted the P3 arrangement as extremely beneficial for VIPA and the territory. “If they can't operate, then they lose, not the [Port Authority], because if they put down something, they can't go with it,” he noted. “This is not an exchange of any asset.”

Despite Dr. Dowe’s optimism, Frederick wondered what would happen if Sky City failed or withdrew. “The other side of that too, is that all the employees will belong to the company that might be departing. So we might have the assets because we own the property, but we don't have the staff.”

“We're in negotiation now on that piece,” replied Mr. Dowe. “So we want to make sure that whatever happens, that everybody is kind of okay.” VIPA’s CEO acknowledged that change on such a deep level is never easy.

“All I can say is that leaders have to lead, and sometimes in leadership, things could be a little uncomfortable. But we've got to do what we believe is the best interest for the growth of this organization,” he stated.

As far as timelines go, VIPA anticipates that construction will begin “before the end of the year, no later than the first quarter of next year.” The entire modernization project – happening simultaneously at both airports – will be “completed for operational purposes [in a] five-year period,” said Mr. Dowe.

