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ODR 'Blindsided' as Major Contractor Walks Away From Hospital Rebuild; New Plan Approved

After Clark-MCN USVI withdrew from a \$313 million hospital reconstruction contract over dispute-resolution terms, the Office of Disaster Recovery moved quickly to award Juan F. Luis Hospital work to a second-ranked bidder and rebid Schneider Regional.

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The Juan F. Luis Hospital & Medical Center logo displayed on the existing hospital structure slated for demolition. By. ERNICE GILBERT, V.I. CONSORTIUM.

The V.I. Office of Disaster Recovery was forced into a rapid course correction after a major contractor abruptly withdrew from negotiations to rebuild the territory's hospitals, a move ODR Executive Director Adrienne Williams-Octalien described as unexpected and disruptive. In

response, the Public Finance Authority approved a new contractor to move forward with work at the Juan F. Luis Hospital, while preparations are underway to rebid the Schneider Regional Medical Center project.

Williams-Octalien told PFA board members on Friday that ODR was “blindsided” when Clark-MCN USVI, which had been [awarded a \\$313 million contract](#) in August to lead the initial phases of demolition and reconstruction at both hospitals, terminated negotiations late last year.

“We received notification on December 12, 2025 that Clark-MCN withdrew their proposal and terminated the negotiation, citing that they could not agree on a path forward to an acceptable contract agreement,” Williams-Octalien said. She explained that the decision came despite “several concessions” made by ODR during negotiations.

According to Williams-Octalien, the central impasse involved how disputes under the contract would be resolved. ODR insisted that any disputes be settled through litigation in the Virgin Islands. The contractor, she said, preferred binding arbitration and would only agree to litigation if it occurred outside the territory. That condition, Williams-Octalien told the board, was “a non-starter for us.”

With negotiations halted and the need to proceed with hospital reconstruction deemed urgent, ODR’s evaluation committee opted to engage the second-ranked bidder, the Suffolk-CBNA joint venture.

“Suffolk actually had a well presented proposal, and the team was confident in their ability to do the work,” Williams-Octalien said.

Because design work for the Juan F. Luis Hospital is already complete, ODR recommended awarding the demolition and rebuild contract for that facility to Suffolk-CBNA. At the same time, the agency plans to reissue a request for proposals for the Schneider Regional Medical Center project “by no later than the first week of March,” Williams-Octalien said.

“We’re not losing any time by putting this out to bid,” she added.

Under the revised plan, the initial contract award for Juan F. Luis Hospital will be capped at just over \$142 million, covering preconstruction services and early work packages. Williams-Octalien said the project is at the point where demolition can proceed, with only an environmental assessment still pending.

“We are right at the point where we are ready to move forward with the demolition of the hospital,” she told the board.

PFA board member Dorothy Isaacs expressed surprise at the contractor’s withdrawal, remarking that Clark-MCN appeared to be relinquishing “approximately \$2 billion in contracts.” Williams-Octalien acknowledged the shock within ODR, saying the sudden termination of negotiations “actually took us for a loop.”

Despite the unexpected setback, PFA board members voiced no objections to the proposed path forward. The board unanimously approved the new contract approach, clearing the way for Suffolk-CBNA to begin work at Juan F. Luis Hospital and for ODR to move ahead with rebidding the Schneider Regional Medical Center project.

