

The Virgin Islands Consortium

Mapp Halts Stadium Reconstruction, De Jongh Approved Contractor Without Concept Or Design

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Governor Kenneth Mapp, at a press conference held Thursday at Government House on St. Croix, revealed he has halted the long-awaited and recently started reconstruction of the Paul E. Joseph Stadium in Frederiksted.

The governor said the contract, awarded to St. Croix-based GEC, LLC, was hastily put together, and that it was approved and signed by former Governor John P. de Jongh, even while the contractor did not have a single design to show.



Paul E. Joseph

Stadium construction, now halted by Governor Kenneth Mapp

"The Paul E. Joseph project in Frederiksted, which is a \$20 million project, I have directed for that project to be frozen," the governor said. "I visited the project on Sunday. As many of you know, that project was put together in haste."

According to the governor, if the reconstruction of the stadium continues under the current bindings of the contract, the territory's tax-paying residents would lose \$10 million.

"What is so troubling about that project is that the government has entered into a contract for a \$20 million project for which there is not a single concept or design," Mapp said. "The contract allows the vendor to design a stadium and surrounding areas, bill the government at the cost of 10 percent, put it together, and they give us a \$10 million project, the contract says the contractor and the government will split the savings, so the contractor will end up with a \$5 million bonus. We could have a stadium worth \$10 million, and you, the people of the Virgin Islands, would be out \$20 million."

Mapp also made known that on the first line of business, the contractor had already violated the terms of the contract.

"On its first act under the contract, the vendor even violated the contract and the government was complicit in that violation, because the first card of business under that contract is to do a design and development of the project," Mapp said. "According to the contract, the budget for the design and development was roughly \$2 million, and so the contractor billed for mobilization, not for the design segment of the contract, but billed for mobilization on the entire contract, and the government did, in fact, issue them a check for \$1.8 million."

Mapp continued: "The contractor has subsequently billed the government for two additional payments on demolition, approximating \$600,000. I ordered the first check to be stopped, and I have halted any further processes of any other documents under that contract."

While the governor holds the right to terminate the contract, Mapp said he would first try to work out an agreement under new terms with the contractor; however, if the two parties are not able to come to a new agreement, Mapp said he would have no other

choice but to cancel the deal.

"I have not exercised my discretion under the contract to terminate it; I am going to have the commissioner of Sports, Parks and Recreation, and members of my senior staff meet with the contractor, and the first card of business is to get a design and project scope in place so we understand what it is we expect for our money, how much it should cost, and redo aspects of the contract to ensure that the people of this territory receive the bargain of their money.

"If we are unable to resolve these issues with the vendor or contractor, I will be left with no choice but to terminate the contract pursuant to the contract language, allow the contractor to write off its bills that it has now submitted on the demolition, and return the balance of the money."

[Last November](#), de Jongh signed a \$20 million contract with GEC, LLC for work on the stadium.

The funds—which have been made available by bonding authorization approved by the Legislature in Act No. 7453 in 2012 and amended by Act No. 7663 in 2014, and is being overseen by the Public Finance Authority—is expected to pay for the demolition of the current structure, as well as the design and construction of a state-of-the-art sports complex, featuring a new stadium, Little League field, and permanent Carnival Village.

Of the development, de Jongh said in November, "The reconstruction of the Paul E. Joseph Stadium will have a lasting effect on St. Croix and particularly Frederiksted. I believe that the sports complex will have a major economic impact on the island, as it is estimated that the new facility could attract up to 80 sanctioned events each year. I am so pleased that this project is finally going forward and it has been an initiative high on my agenda for several years now."

Former Commissioner of Sports, Parks and Recreation St. Claire Williams at the time also praised the forward movement of the long-awaited project, which [broke ground](#) in December.

"I am extremely pleased that our efforts over the past several years to put the mechanism in place for the reconstruction of the Paul E. Joseph Stadium and the Terrence Martin Ball Field into a sports complex has finally come to fruition," he said, adding, "I look forward to the construction of the state-of-the-art multi-purpose sports facility and carnival village that our residents, our visitors, and particularly our young people can enjoy."

The contract states that GEC will supply all labor, materials and equipment necessary to complete the project, which is expected to last for about two-and-a-half years. The amendment to the project's financing stipulates that "unemployed qualified residents" of the Virgin Islands must have first preference in hiring.

With the project now being halted, the length of time it will take for displaced workers to get back to work is unknown and the Mapp administration did not give projections on how long the new negotiations might last.