

The Virgin Islands Consortium

Former Director Of VI Public Finance Authority And Others Charged With Conspiracy And Bribery

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WASHINGTON – Three Virgin Islands men were charged in an indictment unsealed today with various offenses based on their participation in a bribery scheme involving over \$17 million in construction contracts awarded by the Virgin Islands Public Finance Authority (VIPFA), the U.S. Department of Justice announced this afternoon.

Julito Francis, 53, former Director of Finance and Administration for the VIPFA, is charged with 11 counts of conspiracy, bribery, extortion under color of official right, honest services wire fraud and perjury. Gerard Castor, 69, president and owner of Balbo Construction Corporation, is charged with 10 counts of conspiracy, bribery and honest services wire fraud. John Woods, 59, co-principal of an architectural company that

worked on behalf of the VIPFA, is charged with three counts of conspiracy, bribery and extortion under color of official right.

Francis, Castor and Woods were arrested earlier today and appeared before U.S. Magistrate Judge Ruth Miller of the District of the Virgin Islands. The defendants were released pending an August 12 arraignment. According to the indictment, Castor provided more than \$400,000 in improvements to Francis' personal residence, and over \$10,000 in improvements to Woods' personal property. In return, Francis and Woods used their official positions to ensure that Balbo Construction was awarded construction contracts by the VIPFA that were worth over \$17 million, including a multi-million contract, and supplements thereto, to build the St. Thomas Regional Library. The indictment further alleges that the defendants attempted to conceal the bribery scheme by creating false documents that suggested Francis and Woods intended to pay Castor for the work performed.

The charges and allegations contained in an indictment are merely accusations. The defendants are presumed innocent unless and until proven guilty.

Assistant Attorney General Leslie R. Caldwell of the Justice Department's Criminal Division, U.S. Attorney Ronald W. Sharpe of the District of the Virgin Islands, Special Agent in Charge Carlos Cases of the FBI's San Juan, Puerto Rico, Division, Virgin Islands Inspector General Steven Van Beverhoudt and Special Agent in Charge Kelly R. Jackson of the Internal Revenue Service-Criminal Investigation (IRS-CI) made the announcement.

This case is being investigated by the FBI's San Juan Division, St. Thomas Resident Agency, the Virgin Islands Office of the Inspector General and IRS-CI. This case is being prosecuted by Trial Attorneys Laura Fulton and Justin D. Weitz of the Criminal Division's Public Integrity Section and Assistant U.S. Attorney Nelson Jones of the District of the Virgin Islands. Deputy Chief Tracee Plowell of the Criminal Division's Office of Enforcement Operations and Trial Attorney Jennifer Blackwell of the Environment and Natural Resources Division's Environmental Crimes Section participated in the investigation when they were assigned to the Public Integrity Section.

See full indictment [here](#).