The Virgin Islands Consortium

St. Thomas Senator Says She Is In No Rush To Ratify HOVENSA Agreement; Calls For Senate Analysis

Business / **Published On December 10, 2015 09:39 PM /**

Ernice Gilbert December 10, 2015

ST. THOMAS -- Senator Janette Millin Young said through a press release issued today that she is in no hurry to ratify the operating agreement between Limetree Bay Holdings, a subsidiary of ArcLight Partners, LLC, and the Government of the Virgin Islands, stating that she would first complete her due diligence, and make a decision based on information, experience and research.

"I am in the process of reviewing the agreement and intend to review it with an open mind," Mrs. Millin Young said. "My position is that I will complete my due diligence and make my decision based on my knowledge, research, and my previous experience gained from deciding on the HOVENSA Fourth Amendment agreement during the 30th

Legislature."

In the release, the senator pointed out that the agreement -- 25 years initially with a 15-year renewal option -- was a longterm contract that needed careful parsing.

"Forty years is a long time and we have to make every effort to get it right. I believe the Legislature should obtain its own analysis of this agreement. It is worth the cost, because as we have painfully learned in the past that after negotiations are completed, both sides come before the Legislature pushing for a hasty approval. I believe my colleagues and I need adequate time to learn the hidden issues that those seeking approval will not reveal unless challenged," Mrs. Millin Young said.

She added: "I want to know about the jobs this government has been pushing for since the plant closed. Hess, and then HOVENSA, once hired thousands before it closed. In the proposal rejected by the 30th Legislature last December, we were told 600 people would be hired. Today we have an agreement promising to hire 80 people, with caveats.

"Throughout the process of reopening, the plant experts urged return to refining operations. However, this agreement seems to be about oil storage. I am also concerned the Mapp Administration is boasting the territory will receive $800M over 25 years. However, if you take the onetime payment of $220M off the top and divide the remaining $580M by 24 years, you get $24.1M annually. Furthermore, the government's negotiators have failed to tell us the estimated taxes the territory will give away in obtaining this deal.

"I look forward to December 16th when this agreement is to be considered by the full body. Since I have not been privy to the background briefing provided to some of my colleagues, I will have some hard questions to pose and the answers addressing my concerns will determine the outcome of my vote," Mrs. Millin Young concluded.