The Virgin Islands Consortium

ArcLight Hires Nearly 450 Workers At Limetree Bay Oil Storage Facility; Additional Employment Anticipated

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ST. CROIX -- Nearly 450 people are now employed full-time at ArcLight Capital Partner's Limetree Bay Oil Storage Terminal facility on St. Croix's south shore, Governor Kenneth Mapp said on Friday.

“We are putting people back to work on St. Croix,” Mr. Mapp said. “There is a great deal of activity going on out at Limetree and this also has had a positive impact on other local businesses.”

Limetree Bay’s Chief Executive Officer Darius Sweet said that as of this week, 448 were hard at work at the oil storage facility - with more than 80 percent being Virgin Islands residents as required by law. The number encompasses employees of Limetree, as well as subcontractors working on various projects at the site. As many as 40 additional employees are expected to join the workforce at Limetree in the next few weeks, according to Government House.

“We have added quite a few new employees in the last week or two,” Mr. Sweet said. “We are moving forward with the restart effort as planned.”

Inside Limetree Bay, courtesy Government House.


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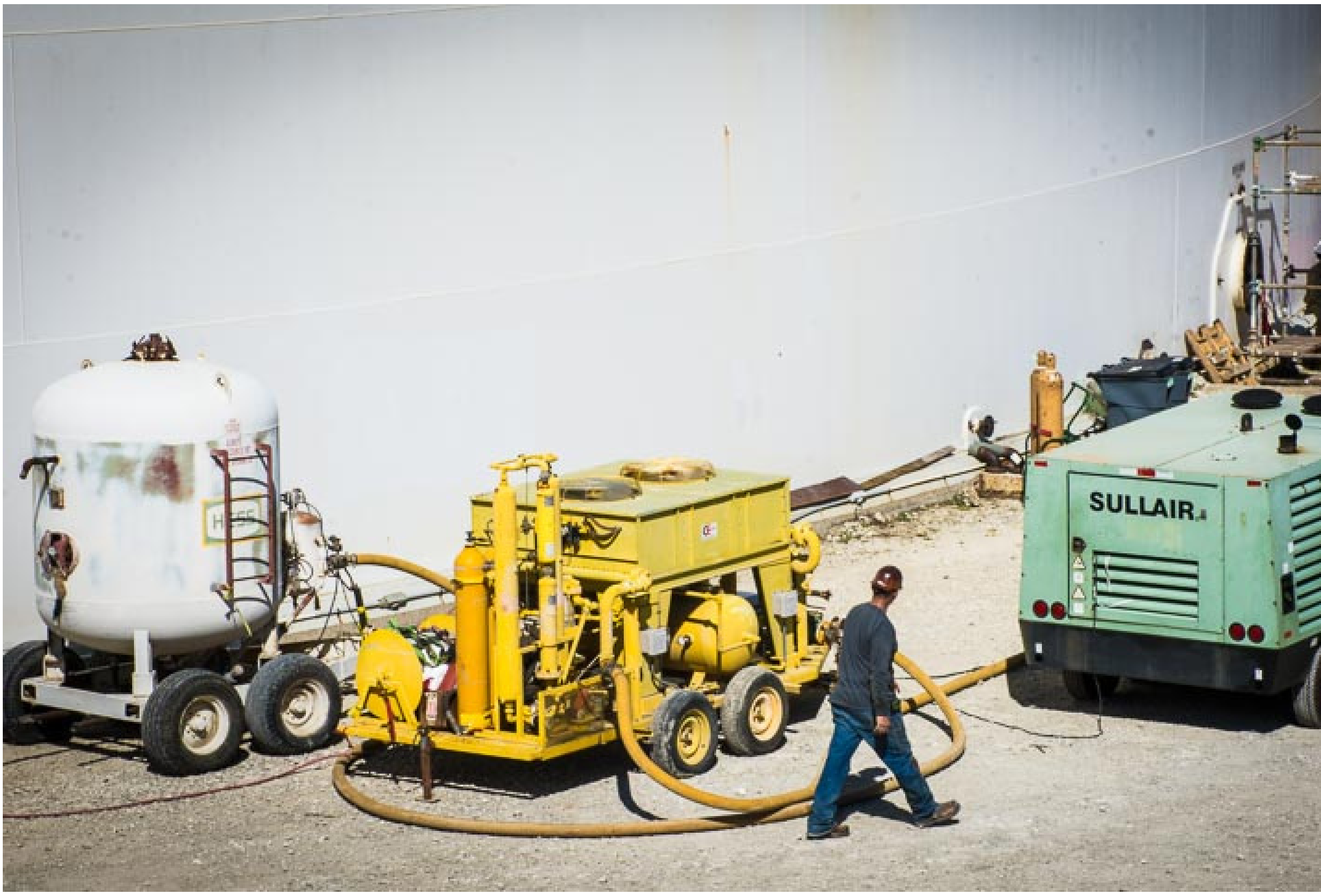
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Mr. Sweet said the workers are engaged in a variety of activities to include repairing and cleaning fuel tanks and lines. He said many working at Limetree are former employees of the refinery, which was shuttered four years ago. Limetree was established as a fuel storage facility, but its owners pledged to carefully examine the possibility of resuming specialty refining operations. Mr. Sweet said the evaluation is still in progress.
“We haven’t yet ruled anything in or out,” he said.

The Limetree CEO reported that the terminal had already begun receiving shipments of oil for storage and that the company looks forward to a great deal more commercial activity.

Limetree Bay finalized its purchase of the former HOVENSA oil refinery in January as part of a deal negotiated by the Mapp-Potter administration. The V.I. Government’s take on the 25-year agreement is valued at more than $800 million in total, according to Government House, which began with a $220 million cash infusion to the government at closing. Limetree also will make a minimum of $7 million in payments annually to the territory. Negotiations were spearheaded by Governor Mapp, who moved to foreclose on the refinery property upon assuming office last year. The administration eventually filed a lawsuit against HOVENSA for breaching the agreement it had made to provide jobs and other benefits through 2022.

Government House says Mr. Mapp's hardline approach with HOVENSA paid off as two agreements benefiting the territory were executed – the sale of the refinery to Limetree and a final "global settlement" with HOVENSA that will assure environmental remediation and protect the pension plans of former workers. The agreement with Limetree was ratified by the 31st Legislature on December 28, 2015 and work at the site began immediately following the sale's closing.