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## Finance Committee Questions Bus Service Contract on St. Croix, Gravel Parking Lot Contract of \$30,000 Per Month on St. Thomas

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Kia Griffith **July 28, 2020**

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Once again, contracts and procurement were major issues on the Senate floor as the Department of Education gave fiscal year 2021 budget testimony before the Committee on Finance on Monday. Responses from testifiers continuously deflected or circumvented the issues altogether.

### **Bus Service Contract**

As the current contract with Abramson, Inc. expires on September 30, fifteen regular sized school buses were procured by the Dept. of Education for \$1.7 million and a new contract is in negotiations with an unnamed company, according to testimony. Senators Donna Frett-Gregory and Kurt Vialet believe this company is Abramson, Inc. And Mrs. Frett-Gregory was convinced

that the department is planning to replace buses for Abramson, Inc. and that the same services will be offered — all of which posed much discussion and questioning on the Senate floor.

According to DOE Attorney Alvincent Hutson III, St. Croix has 16 to 20 buses, but some have issues. The cost of the current school bus contract is \$2.3 million with a renewal cost of \$2.4 million with Abramson Inc, an option the department said it was considering.

“This is why people don’t trust government because of the lack of transparency,” Ms. Frett-Gregory said.

Legal counsel for the Education Department stated that the new buses were procured for new services, as suggested by the government along with the Department of Property and Procurement. As a result, the department decided to put it out for bid with the purpose of saving money with an operation agreement, Mr. Hutson explained.

Seemingly unconvinced, Mr. Vialet played out an anticipated scenario of millions of dollars in government assets transferred to a contracted company to operate buses and then bill the government back per mile. In essence, D.O.E. purchased the buses so Abramson Inc. could operate, while billing the government for gas and other operational costs — all for a contract that potential stands to be \$100,000 more than the previous agreement of \$2.3 million — even after D.O.E. purchased the buses. Mr. Vialet questioned the monetary difference between the original contract and the new one, and he shared that he was more interested in the contract terms. The committee requested documentation.

Speaking to the rule of thumb, Ms. Frett-Gregory shared, “Usually if your contract is about to expire and you are approaching a new school year, we should be negotiating with the new contractor.”

DOE Attorney said that the close date on the bus service bid was a couple of weeks ago, the contract is now in negotiation, and only one company responded to the bid. He did not furnish the committee with the name of the company that is in negotiations but continued to state that he would provide that privileged info once negotiations were complete.

“The question in reference to who you are having a discussion with for the transfer of the buses on St. Croix, attorney, that is not confidential. The contract at this point is confidential, but not the name of the company. And I know it’s not confidential, but it’s very convenient to give me that answer,” said Mr. Vialet.

### **The Old Cinema One Gravel Lot Lease**

Another contract came into question as Senator Frett-Gregory brought attention to the government paying \$30,000 per month or \$365,778 per year on a lease for the Estate Thomas Old Cinema One gravel lot. It is the intent of the department to be reimbursed by FEMA for the past two years, according to Mr. Hutson. He further confirmed that the property is leased as a parking lot and bus turnaround adjacent to the Charlotte Amalie High School; he said the contract is set to expire at the end of this month.

Ms. Frett-Gregory was not dissuaded from her line of questioning when she said, “Thirty thousand dollars for a gravel lot begs a lot of questions.”

### **Procurement of Laptops**

Senator Janelle Sarauw inquired as to a specific count of students in need of laptops territory wide for the upcoming academic year and the data that was used to procure devices, seeing that the commissioner gave old survey results from March and reiterated that exact numbers would be given after a survey goes out next week.

Ms. Berry-Benjamin eventually stated in response, “Senator, we procured laptops for every student. We have 10,907 students. We know how many students we have. We purchased a laptop for every child.”