

The Virgin Islands Consortium

Washington Post Says VI Emergency Home Repair Program Thrown Into Disarray As Contractors Abandon Jobs, Threaten To Use Homes As Leverage Against Local Government For Lack Of Pay

Business / **Published On February 28, 2019 11:10 AM /**

Ernice Gilbert **February 28, 2019**



When Senator Alicia Barnes and her colleagues demanded answers from Virgin Islands Housing Authority officials Tuesday on why the VI Emergency Home Repair program hasn't been paying its contractors on time, the lawmakers' concerns were in the right place, as the program, according to a letter addressed to the federal government and obtained by the Washington Post, is on the verge of collapsing as contractors abandon jobs and head back to the mainland because of lack of payment.

The situation has gotten so bad, that some contractors have threaten to use properties belonging to storm victims as leverage to try and recoup payment from the V.I.H.A., according to The Post.

On Wednesday, a contractor who had already left the territory after working for months without pay, reached out to The Consortium so his story could be heard. A 27-year-old, the contractor said he was awarded contractor of the year in his hometown before moving his crew to the territory following the 2017 storms. Since then, however, his business went bankrupt even as he continues to owe VI companies he had sub-contracted to perform work, among them Marco Trucking. (A standalone story on the matter is forthcoming.)

According to The Post, the letter addressed to the federal government outlines the contractors' grievances over chronically late payments. The story says three large contractors have called on the federal government "to freeze all advances of disaster recovery funds to the USVI until the past due invoices are paid."

The VI Emergency Home Repair program is a joint effort by the Government of the Virgin Islands and the Federal Emergency Management Agency to repair about 8,000 homes. But it has lagged behind for months and, according to The Post, is now veering into a nasty legal showdown over who is responsible for paying the bills.

Subcontractors say the project's chief contractor, AECOM, owes them tens of millions of dollars. But AECOM maintains that it can only pay when it receives payment from the local government, which AECOM says owes a number of past due invoices.

Subcontractors said in the joint letter — sent to representatives for AECOM, the Virgin Islands Housing and Finance Agency and Witt O'Brien's, a private disaster response agency that is managing the territory's recovery effort, according to The Post — that they and other firms are collectively owed more than \$60 million for work already performed, putting some of those firms at risk of insolvency or bankruptcy.

The Post story says the three subcontractors — Polaris Engineering, Lamar Contractors and SLSCO — threatened to file liens on properties in the Virgin Islands where they've done work that has not been paid for. That would create even more uncertainty for thousands of hurricane victims on St. Thomas, St. Croix and St. Johns, the three islands that make up the territory, The Post said.

The subcontractors said they "need to protect their legal rights to ensure that federal disaster recovery funds are not used to pay for something other than their intended purposes."

Richard Motta, the Bryan administration's communications director, told The Post that the territory is trying to work with federal officials so disaster funds are released as "expeditiously as possible." Mr. Motta declined to comment further, telling The Post that the government does "not comment on potential legal matters."

On Tuesday, Darryl Griffith, V.I.H.A. executive director, said while the authority had paid \$136 million to AECOM as of Tuesday, he admitted that the behindhand payment of subcontractors has been one of the "persistent issues" plaguing the program. Mr. Griffith also mentioned what he described as the many layers of reviews and approvals that the

funds go through before being released.

FEMA spokeswoman Abbey Dennis said the federal agency views the matter as a dispute between the local government and the subcontractors. "A worksite is active until all work completion is signed off by the resident, contractor, subcontractor and VI Housing Finance Authority after the final site visit," she told The Post.

© Viconsortium 2026