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# Port Authority Renews Leases, Partners With Shipping Companies to Secure \$20 Million Federal Grant for Containerport Improvements

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**Containerport on St. Croix. By. THE VIRGIN ISLANDS PORT AUTHORITY**

The two major cargo shipping companies serving the U.S. Virgin Islands have renewed their operational agreements with the Virgin Islands Port Authority and solidified their commitment to continue operations in the territory, VIPA announced Wednesday. VIPA's Board of Governors authorized Executive Director Carlton Dowe to approve a long-term lease agreement with both Tropical Shipping and Construction, Ltd. and Crowley Caribbean Services LLC at an emergency board meeting held today.

The lease agreements are for cargo operations at the Crown Bay Cargo Facility on St. Thomas and the Wilfred “Bomba” Allick Port and Transshipment Center (the Containerport) on St. Croix. The agreements will also include preferential operational arrangements in exchange for the companies’ financial investment to improve both ports. Mr. Dowe will issue letters of assurance to both companies today confirming the new lease agreements.

The emergency meeting was necessary to meet a July 17, 2021, grant application deadline. VIPA is partnering with Tropical Shipping and Crowley seeking funds from the U.S. Department of Transportation (USDOT) to upgrade and modernize the Containerport. The local match for the grant funds will be provided in equal shares by Tropical and Crowley. Tropical Shipping will also participate in financing the replacement of the deteriorated gantry crane at the Containerport that is used to unload the cargo off cargo ships at the port. The cost of the crane is approximately \$20 million.

“It is important to note how vital these two shipping companies are to this territory and the Caribbean overall. They import the bulk of our cargo, and their operations at our ports provide cargo shipments destined for many other islands in the Caribbean,” Mr. Dowe said. “In these trying economic times brought about by the pandemic, VIPA alone does not have the wherewithal to meet the financial challenges to improve our seaports without the participation of our partners, Tropical Shipping and Crowley.” Mr. Dowe also thanked VIPA board members for assembling with short notice to quickly address the urgent matter.

This public/private partnership between VIPA, Tropical, and Crowley has already proven successful, the authority said. VIPA recently received a \$21 million grant from the USDOT to expand and repair the Crown Bay Cargo Facility on St. Thomas. Both Tropical and Crowley will each provide \$2.7 million to cover the local match required by the grant award. Mr. Dowe said VIPA is now seeking to obtain a similar but larger grant for the Containerport. “This is a win-win for the territory, particularly for the economy of St. Croix because this current grant application is solely for the improvement of the Containerport,” he added.

Tropical Shipping employs 65 persons on St. Thomas and has 55 employees on St. Croix while Crowley has approximately 70 employees on St. Thomas and 65 on St. Croix. Their operations in the USVI serve as a transshipment hub for the Windward islands from St. Croix and the Leeward islands from St. Thomas.

Tropical Shipping Director of Government and Community Affairs, Jennifer Nugent-Hill and her team met with Governor Albert Bryan and Mr. Dowe earlier this week to discuss its operational challenges on St. Croix and the need for the port to be repaired. At today’s meeting, Island Manager Nisha Aubain of Tropical Shipping said the company’s commitment is strong, not only to the Virgin Islands but also to the Caribbean to provide shipping services that transport critical supplies such as groceries, building supplies, and equipment. “We have a very strong relationship with the Port Authority, and we also want to solidify that commitment moving forward to become a bigger transshipment company servicing the USVI and the Caribbean,” she said.

Crowley Transport Manager Kishma Vincent also echoed her company’s commitment to serving the USVI. “We have over 40 years of experience operating in the territory, and this speaks to the interests of Crowley. We have businesses all over the world, but we also have a special interest in the Virgin Islands. We are in it for the long haul,” she said.

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