The Virgin Islands Consortium

V.I.P.A. Explains Funding Sources and Highlights Key Projects

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Carlton Dowe, The Virgin Islands Port Authority executive director, explained the projects that his agency is working on and their funding sources during the Office of Management and Budget Revenue Estimating Conference on Tuesday.

Before he began talking about specific projects, Mr. Dowe detailed how the Port Authority receives most of its funding.

He expects to receive $64.9 million in grant funding and he recognized the work of the legislature and Governor Albert Bryan in the process of getting funding locally.

According to Mr. Dowe by federal law each passenger that comes and out of the airport pays the Port Authority $2.50. “That number can only be changed by the United States Congress.” He added, “Why that is so telling is that, these are the monies that the port authority can turn over and we get that money back from the F.A.A. (Federal Aviation Administration) for certain capital projects. So it tells you then for over 25 years you are getting $2.50, people ask why you are not doing this, why you not doing that but that's some of the challenges we face.”

Mr. Dowe about the impact of the lack of the cruise ship passengers had on the V.I.P.A. funding. He said during “good times” the territory can see almost 2 million passengers and they are expecting by the end of this fiscal year to see a “couple 100,000 passengers.” He said “So goes those cruise ships, so goes a good part of the economy.”

He expects to see the first cruise ship in St. Croix on the 18 of August and the first cruise ship at the W.I.C.O dock in September. Cruise returned to St. Thomas at the Crown Bay dock in July.

Mr. Dowe said that most of the projected aviation capital expenditures that were shared during his presentation are federally funded and “the good thing about those projects is once they come off the ground, the Port Authority retains 5 percent of the gross receipts and then remits that too the I.R.B...5 percent of those projects goes back to the local government.”

He mentioned that the airport expansion project on St. Croix was a project that was carried over from 2020 and that in total is $9 million. He thanked the legislature $1.6 million for the project and Mr. Bryan for signing the funding into law. “I continue to talk about these things because I want more, so I have to keep making that sure they send it to us, recognize that we appreciate and the governor what assistance we get.”

He said that the runaway lights, vault and shoulder project at the Henry E. Rohlsen Airport “are significant projects… that is the lighting that the pilots and aircrafts use when they are coming on to the runway to even taxi or to land.” This funding is from a F.A.A. grant he added.

He said that the dredging projects on both islands are important because “of the size of the vessels that are coming in...we found it necessary to do some dredging that will enable the vessels to come in.”

The executive director said they are still in conversations over a $13 million grant for the W.I.C.O. channel dredging, “that is critical to this economy, critical to the economy, that way W.I.CO. can start to receive larger vessels that they can not accommodate as we speak today.”

“I want us all of us… to really recognize and understand that we call it the gateway to the economy because that is how our economy moves” Mr. Dowe said.

He said that Gordon Finch Molasses Pier Terminal on St. Croix “is far on the way. We expect to deliver that project to the people of St. Croix and the territory by the end of this year. That is one of the projects that have so much impact on the St. Croix community because this will enable us now for the first time to stop all container vessels going into Gallows Bay and having everything right to the Gordon Finch Molasses Pier.”

This opens up the gallows bays for more economic development according to Mr. Dowe.

He said that Container Port Cargo Warehouse is another project on St. Croix that will be finished by the end of the year and “would allow Crowley and Tropical, Tropical in particular and all those big shippers will have areas where they can literally lay down cargo, serious cargo, to be stored there and then moved through the community.”

The finances of the projects that were shared by Mr. Dowe in the presentation were as follows:

Projected Aviation Capital Expenditures For Fiscal Year 2021 (St. Thomas)

- Cyril E. King Airport (CEKA) Runway Safety Area: $1.75 Million

- CEKA Terminal Expansion Design: $5.3 Million*

- CEKA Transportation Center: $12 Million*

- CEKA Purchasing Building: $2.2 Million*
- Gate 5 Pavement Reconstruction: $1 Million
- CEKA Gut Clearing: $300,000
- CEKA Commercial Apron Phase 1: $3.5 Million
- CEKA Baggage Belt Improvements: $2 Million
- CEKA Handling Units Replacement: $1 Million
- Total: $29.5 Million

Projected Aviation Capital Expenditures For Fiscal Year 2021 (St. Croix)

- Henry E. Rohlsen Airport Cargo: $3 Million
- HERA Terminal Expansion Phase 1: $4 Million*
- HERA Elect/Vault/Runway Lights/ Shoulders: $8 Million
- Total: $15 Million

Projected Marine Capital Expenditures For Fiscal Year 2021 (St. Thomas-St. John)

- Loredon Boynes Dock Terminal Improvement: $500,000
- Red Hook Customs Building: $2.5 Million*
- Crown Bay Dredging and North Closure: $5 Million
- WICO Channel Dredging:$13 Million
- Total: $21 Million

Projected Marine Capital Expenditures For Fiscal Year 2021 (St. Croix)

- Schooner Channel Dredging: $5 Million
- Gordon Finch Molasses Pier Terminal: $12.8 Million*
- Krauss Lagoon Maintenance Dredging: $1.5 Million*
- Container Port Cargo Warehouse: $10.3 Million*
- Total: $29.6 Million

Projected Aviation Capital Expenditures For Fiscal Year 2022 (St. Thomas)

- Cyril E. King Airport (CEKA) Runway Safety Area: $1.75 Million
- CEKA Transportation Center: $15.1 Million
- Gate 5 Pavement Reconstruction: $3.7 Million
- CEKA Gut Clearing: $350,000
- CEKA Commercial Apron Phase 1: $4.4 Million
- CEKA Baggage Belt Improvements: $2 Million
- Rehab T/W A West: $4 Million
- R/W Pavement- Rehab: $3.5 Million
- Apron Rehab Phase 1B: $2 Million
- Total: $36.8 Million

Projected Aviation Capital Expenditures For Fiscal Year 2022 (St. Croix)

- HERA Terminal Expansion Phase 1: $1 Million
- HERA Elect/Vault/Runway Lights/ Shoulders: $9.1 Million
- HERA Master Plan Update: $300,000
- T/W A Rehab: $4.5 Million

Projected Marine Capital Expenditures For Fiscal Year 2022 (St. Thomas)

- Loredon Boynes Dock Terminal Improvement: $900,000
- Red Hook Customs Building: $6 Million
- Crown Bay Dredging and North Closure: $5 Million
- WICO Channel Dredging: $13 Million
- Red Hook Restrooms: $150,000
- Total- $25.1 Million

Projected Marine Capital Expenditures For Fiscal Year 2022 (St. Croix)

- Schooner Channel Dredging: $8.6 Million
- Gordon Finch Molasses Pier Terminal: $7 Million
- Environmental Monitoring: $500,000
- Tender/Pier Frederiksted: $2.2 Million
- Blow-Out Pannel/Frederiksted: $400,000

- Total: $18.7 Million

Note- * Carry Over from fiscal year 2020 According to the presentation