

The Virgin Islands Consortium

Senate Committee Approves Bill to Make Awarding Capital Project Contracts Easier

Government / **Published On November 11, 2021 06:10 AM /**

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Construction work in Charlotte Amalie near the Ron de Lugo Federal Building in St. Thomas, USVI. By. V.I. DEPT. OF PUBLIC WORKS

Awarding contracts for capital improvement projects valued under \$500,000 will soon be processed easier and faster if a measure sponsored by Senator Donna Frett-Gregory — which seeks to amend Virgin Islands Code related to the Department of Public Works — is signed into law.

During a Wednesday hearing in the Committee on Housing, Transportation, and Telecommunications, lawmakers approved Bill No. 34-0069, which redefines a definition

for the term “capital improvement project.” The bill also seeks to amend title 31, chapter 1 of V.I. Code relating to the functions of the commissioner of Public Works. The new subsections would direct the D.P.W. commissioner to maintain a master contract for providing governmental entities with architectural and engineering service for construction, expansion, renovation, major maintenance, rehabilitation, or replacement projects that cost less than \$500,000 over the life of the project.

Having received the approval of the Committee on Housing, Transportation, and Telecommunications, the measure will now be forwarded to the Committee on Rules and Judiciary for further deliberation.

Explaining the reason for the amendment, Ms. Frett-Gregory said that projects in the Virgin Islands are not moving as fast as they should despite having received significant funding from various federal agencies.

The territory has received major funding from the Federal Emergency Management Agency and from the U.S. Dept. of Housing and Urban Development, and is slated to receive significant funding from President Joe Biden's “Build Back Better Plan” if the measure passes Congress. [Significant funding](#) has been provided to the territory from the American Rescue Plan Act.

“One of the reasons is because we have a number of government entities that do not have, internally, the procurement and the vision that will take care of their capital projects, meaning the large projects, the architectural and engineering services,” Ms. Frett-Gregory said while pointing out how the amendment will make awarding contracts easier.

“The powers that be have not done a good job in explaining some of the challenges, so a lot of the challenges are discussed behind closed doors. However, it is important that the community understands why projects in the territory — outside of slow receipts of those dollars coming down from the federal government — why things take so long,” she said.

“Once funds become available to them, they now have to go out and secure at minimum three bids to ensure that they are able to move forward with these projects, and we all know how long that takes in this territory,” Ms. Frett-Gregory said while reminding that from bidding to procurement to notice to proceeds can take up to six months.

“This bill,” she told the committee chaired by Senator Marvin Blyden, “seeks to remove that challenge in instances where projects are \$500,000 or less.”

Ms. Frett-Gregory further explained, “The Department of Public Works will be the holder of these master contracts for architectural and engineering services for capital projects that are \$500,000 and below, and when a department or agency needs that service they will make contact with the Department of Public Works.

“They will say, 'listen I need an engineer, I need architectural services for my project.' Public Works will say 'this is the master contracts, we have vendor X, vendor Y or vendor Z,' then that department will say, 'I would like to use vendor X and make contact, process their purchase orders and move on and get their projects moving instead of having to go through that entire bidding process.'" Public Works would have the leeway to create annual or multi-year agreements with vendors.

“These departments do not have technical assistance to do the architectural and engineering services. This bill seeks to help us to get projects off the ground in the territory so we can really finally be able to see the development — the works that are being done around the infrastructure in the Virgin Islands,” she told the committee.”