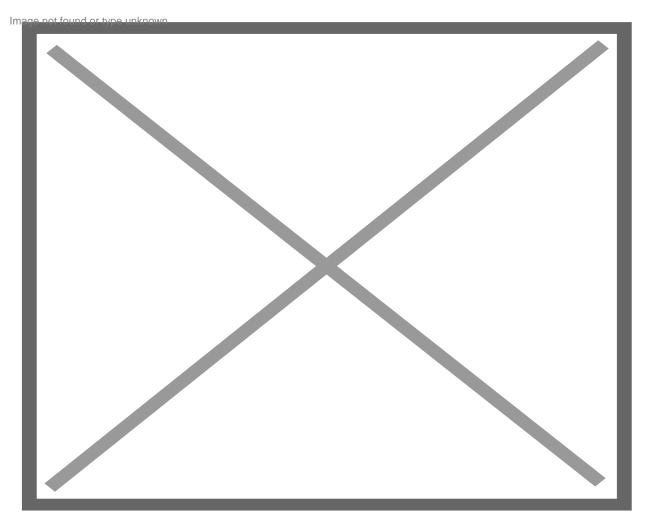
Jet Bridges, Second Floors and More: USVI Airports to See Major Upgrades as VIPA Pursues Modernization of HERA and CEKA

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An international airport at night. By. GETTY IMAGES

The V.I. Port Authority has made it clear that it intends to retain ownership of the territory's two main airports even as VIPA seeks private firms to invest fully in its modernization and reconstruction of the territory's two main air travel facilities.

The V.I. Port Authority Governing Board this week finally authorized a public/private partnership to expand and modernize the Cyril E. King Airport in St. Thomas and the Henry E. Rohlsen Airport on St Croix.

While VIPA Executive Director Carlton Dowe told the Consortium that the authority will be leasing to whichever company/companies are successful, he emphasized that the Port Authority will retain full ownership of both airports.

A Request for Qualifications (RFQ) is expected to be issued in December followed by a Request for Proposal (RFP). The companies chosen will be shortlisted to determine the winner of the bid.

"We will be looking for companies that have the wherewithal to put up all the financing to do the project and we would then enter into some agreement with them to operate [and] manage," said Mr. Dowe, the VIPA executive director known for starting and completing a dizzying array of projects for the authority. See here, here, here, here, here and here for some examples.

In exchange for agreeing to reconstruct the airports, the company will be allowed to operate and implement various fees as well as lease to businesses at both facilities for a specified to-be-agreed-upon amount of time until the loan reaches maturity.

"They will be the ones collecting the revenues and they will share some of those revenues with the Port Authority," Mr. Dowe said, adding that the company chosen is expected to see profits for their hefty investment in the airports.

VIPA is aware of the basic needs for the expansion but said the remodeling and reconstruction is open to ideas from the bidding companies as well as the public.

Regarding the developers, Mr. Dowe said, "We know what our wants are but a lot of the details will have to come down to negotiations."

As for the public, Virgin Islanders will be consulted through ongoing public meetings with VIPA.

The executive director did shared that the changes will comprise a "complete modernization to include concessions, jet bridges, departure lounges, upstairs utilizing the second floor of both airports," adding that the projects will cost "a few hundred million dollars."

Mr. Dowe said since the airports were built some 30 years ago, no major renovations have been done. Construction, which is anticipated to begin in the next two-and-a-half-years, will allow both airports to receive more passengers and ease congestion.

"These airports that we are operating out of were designed to accommodate approximately 300,000 people when built way back 30 plus years ago, and today in St. Thomas alone we see up to 850,000 passengers. St. Croix is big; it doesn't have as much passengers but they all need a serious upgrade," he concluded.

The Port Authority board in August <u>had authorized Mr. Dowe to explore the possibility</u> of a public/private partnership to expand and modernize both of the territory's main airports, and a formal approval to seek out companies for execution of this vision came during the authority's Wednesday board meeting.

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