

PFA Opts Not to Renew Disaster Recovery Multi-Million Dollar Contract With Witt O'Brien's

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St. Thomas, USVI following Hurricane Irma in 2017. By. REEMY-REEMZ PHOTOGRAPHY

The V.I. Public Finance Authority on Wednesday approved an extension of the government's multi-million dollar contract with Witt O'Brien's for 120 days at no additional cost of contract terms, a move aimed at allowing the PFA to go through a solicitation process as it has opted not to renew the current agreement and instead is seeking new bids.

The five-year contract was established during the Mapp administration to help the local government secure federal funding for hurricane recovery, with an original cost not to exceed \$15 million annually. However, within the first six months of the contract, Witt O'Brien's had already exhausted its compensation cap of \$50 million as a result of the government's aggressive

campaign to identify, access, secure and manage a larger portion of available federal resources, according to [a modification of the original contract](#).

For Office of Disaster Recovery Director, Adrienne Williams, the move gives the government time to prepare itself for a new bidding process while still retaining the services of the current contractor, Witt O'Brien's, at no additional cost.

"We're at the end of the contract term and we have chosen not to have a renewal of the contract. We'll go back out to bid for those contracts but in the interim we're asking for a 120-day no cost time extension for that contract while we go through the solicitation process," Ms. Williams said. "The 120 day time frame will allow us to review bids and bring a recommendation before this body to ratify a new contract for these services."

She explained that ODR has revised its request for these services "based on where we are five years later in the disaster to be clear on what our needs are and scope our contracts based on deliverables, performance indicators, and ensure that we have the appropriate costs that we deem reasonable to be able to provide these services as we move forward with the recovery."

Members of the PFA board questioned whether the millions of dollars already spent on the contract had produced satisfactory outcomes. Board Chairman, Governor Albert Bryan, stated, "We're satisfied with the product, not the cost... we would always want to pay less."

Ms. Williams stated, "We've seen a significant cost savings in terms of what we've been able to garner for obligations. Again, with the replacement [for the waste water lines](#), even the very first school... FEMA initially offered us \$17 million, we were able to double that. These are some of the services where tangible results for having the consultants on board were realized."

The ODR director said FEMA had initially denied fixing the roads because of maintenance records and pre-disaster damage.

"We did not have the luxury of the Bipartisan Budget Act covering roads because roads were ineligible. What we're doing now is utilizing all of the other resources that we have to be able to cover those roads that were damaged that FEMA said they were not going to fix. What we're pleased about is that we're now creating a unified paving project that would allow one project to cover redoing roads that have been affected by any utility infrastructure. The undergrounding, any waste water replacements, and that would allow us to pave back the roads after these utilities have dug up the roads, which is kind of like our solution."

Regarding Witt O'Brien's contract, Dept. of Finance Commissioner and Executive Director of the PFA, Bosede Bruce, asked whether the solution could be renegotiated particularly "if they are doing a good job."

Ms. Williams responded that one of the initial concerns that led to the decision not to renew the contract was FEMA's inquiry into a WAPA project's cost-effectiveness.

"That took WAPA through a long process that eventually they prevailed, but it really impacted their ability to execute their projects timely," she said. "Those projects were held up for over one year which ultimately cost them in increased cost because of the delay of time. We want to be able to be preventative and not get into a situation where we're again trying to defend our decision not to go out to bid and get costs that reflect the time that we're in right now."

Board member Keith O' Neil asked how the government would transition to a new consultant given how long the previous consultant had been immersed in the recovery. The topic was moved to the executive session of the meeting, though Ms. Williams did share her thoughts.

"If you look at the next phase of the recovery, it's really how do we put together all of the funding sources to build a transformative plan," she said. "We're not in the phase of getting the funds where we were five years ago. We're really in the phase of executing these multi-million dollar contracts."

A 120-day No Cost Time Extension of Contract terms was also approved for Ernst & Young of Puerto Rico, LLC for Disaster Recovery Consulting Services.

Other items approved at Wednesday's meeting included the transfer of a portion of the 2022 Private Activity Bond Volume Cap allocation to the Virgin Islands Housing Authority and an extension of a contract with Balbo Construction to provide cleaning and grounds maintenance services at the offices of the PFA on St. Thomas for a period of one year.

The board also approved a resolution to amend the PFA Corporate Credit Card Policy to provide for a corporate credit card for the chairman of the board and other board members.