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VIPA Board Mulls Over Connectivity Challenges, Sends Lindbergh Bay Project Back Out to Tender

Business / **Published On February 24, 2023 05:55 AM /**

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Former Island Beachcomber Hotel Property, called “the Lindbergh Bay Hotel Project”, will be sent out as an RFQ.

The V.I. Port Authority Board of Governors met for their regular monthly meeting earlier this week, receiving updates on ongoing work and discussing other matters of import to VIPA and the territory.

VIPA Executive Director Carlton Dowe spoke about the “3P Airports Industry Forum” held to begin the detailed selection process that will ultimately lead to VIPA’s selection of a private-sector partner to modernize and operate the U.S.V.I.’s two airports. Mr. Dowe noted that over 60 industry professionals took part in that event, and he also apprised the board of the multitude of

appearances he had made on local media platforms, educating the public about the project and its process.

Timelines for the next stages - the question and answer period, and the submissions of the Request for Qualifications packages - are standing firm, Mr. Dowe said, emphasizing the agency's commitment to maintaining a transparent and efficient process throughout.

Once again, the board discussed one of VIPA's thorniest issues - air and sea connections between islands. Recent challenges with ferry service between St. Thomas and St. Croix were a result of a reduction in fleet capacity since one operator reportedly had three ferries simultaneously out of service due to the need for maintenance and repairs. Another company was only operating one boat, which was inadequate for the demand. These issues are being addressed, and the board once again noted the need for a collaborative approach with other agencies to support the operation of the ferry service.

The chronic lack of adequate air connections between islands and also to neighboring Caribbean countries came up for discussion again, as it did during the last board meeting. Members were informed that while efforts were made to explore the possibility of LIAT adding additional flights into the territory, the struggling airline was not at this point capable of doing so. Other commuter carriers that might service internal routes were still struggling to attract and retain sufficient numbers of pilots due to the elevated global demand for qualified pilots.

Two carriers have recently expressed interest in plying the STT-STX route, and Executive Director Dowe noted that the VIPA Board has previously approved significant incentives for establishing new routes into the V.I. and could do so again, but questioned whether that would be enough to entice carriers into launching a service. "Those decisions will have to be driven by market, and by availability of pilots," he said.

The board also had a lengthy discussion about the procurement process for the Lindbergh Bay Hotel redevelopment project. VIPA had issued a combined request for qualifications and proposals (RFQ/RFP) from interested parties, which resulted in two submissions - from PCL Management LLC and Dhruv Development LLC. The board learned that only PCL had submitted a complete package, and in part because of the omissions from Dhruv, the VIPA Procurement and Contracts team recommended that the board authorize the agency to start negotiations with PCL, which is proposing an eco-resort with 60 ocean-front suites, a restaurant & bar with combined capacity of 130 people, a pool, spa and other amenities.

However, more than one board member critiqued the process in which parties were required to submit qualification and proposal packages simultaneously, saying that companies should know whether they have been shortlisted based on their qualifications before expending what could be significant sums on securing design and engineering services to put the proposal packages together.

After some discussion, the board voted to move the discussion into executive session, returning to disclose that they had voted to send the project back out to tender, this time issuing a Request for Qualifications only. It is not yet clear when the new deadline for submissions will be.