

logo not found or type unknown

Proposed Leases of Government Land Scrutinized as Viya, VI Recycling and Others Seek New Agreements

Government / **Published On March 07, 2023 05:21 AM /**

Elesha George **March 07, 2023**

Image not found or type unknown



VIYA received a 10-year lease for a portion of a telecommunication tower and bunker in Recovery Hill, Company Quarter, St. Croix. By. GETTY IMAGES

Last updated on Wed. March 8, 2023 at 6:10 a.m.

“Money today doesn’t look like money tomorrow,” declared Senator Donna Frett-Gregory, as she introduced a new procedure to assess the values of properties leased by the government.

Prior to hearing from local business people on Monday, the chair of the Committee on Budget, Appropriations, and Finance requested a post audit analysis of the four leases on properties that her committee was required to ratify. The post audit analysis included an analysis of the cost of money, the present value of the leases and the impact of inflation on the lease price.

“Within our summary of the leases, we have indicated the present value of the potential revenue of the leases that’s before us using the [Consumer Price Index] CPI multiplier. There’s also another table using the Average Inflation Rate as to the potential revenue of these leases before us,” Ms. Frett-Gregory explained.

The lawmaker said while it is important to support small local businesses, it is equally important that senators know whether approving a lease would be a good investment for the government. “We will continue to conduct these post-audit analyses,” Ms. Frett-Gregory said.

At Monday’s committee hearing Vincent Richards, deputy commissioner of the Department of Property and Procurement requested that the senators approve leases for the Virgin Islands Telephone Corporation better known as VIYA, Suntech Group, Inc. (St. Thomas Gas), Ace Trucking and Trash Removal and A-9 Trucking Enterprises Inc. and Sarnelli Bros (VI Recycling).

“These proposed lease agreements will provide locally owned businesses the needed security and commitment to invest or reinvest in these properties as well as expand and improve their operations,” Mr. Richards argued. “The properties will eventually be returned to the GVI at the end of their lease terms in improved conditions. These businesses will continue to provide critical services and contribute to the long-term recovery and economic growth of the United States Virgin Islands,” he added.

Ultimately, legislators agreed and the leases were all ratified.

VIYA received a 10-year lease for a portion of a telecommunication tower and bunker in Recovery Hill, Company Quarter, St. Croix to house its telecommunications tower and a 9’ x 8’ room and bunker to establish and operate wireless link connections and to house its equipment. They will rent the property at a cost of \$36,000 annually to be paid in monthly installments of \$3,000. The rent is expected to be adjusted after the first year and every year thereafter.

The agreement between the government and St. Thomas Gas (Suntech Group Inc.) was renewed and the company will be allowed to continue operating a trucking, transportation, delivery, and retail business of bottled propane gas. St. Thomas Gas has been operating since 1968 and the current owners have owned the company since 1990.

According to Kevin Rames, legal counsel for Suntech Group Inc., the company is the main provider of LNG for several government entities, including the Department of Education, the Bureau of Corrections, and the Department of Human Services, among others. Suntech will enter a 10-year lease agreement with two five-year options for renewal. Its monthly rent will increase from \$1,500 to \$4,500, Mr. Richards noted an additional annual costs of \$36,000.

Ace Trucking and Trash Removal was also granted a 10-year renewal to operate a garbage removal, trucking, transportation, and delivery business. The lease agreement also includes a construction period of 36 months during which time the business is expected to complete improvements to the premises.

Meanwhile, VI Recycling (A-9 Trucking Enterprises, Inc., and Sarnelli Bros) was granted an additional 5.67 acres of land at the Bovoni landfill to expand their recycling and scrap metal business. VI Recycling provides recycling services for the government, agencies and private entities by getting rid of scrap metal, demolition and dismantling as well as hazardous waste.

Attorney Jennifer Jones, legal counsel VI Recycling said the company could not continue providing these services in Estate Bovoni without the certainty of a long-term lease. “The lease

will ensure the sustainability of VI Recycling's operations and the performance of a critical function of the government," she said.

She said, since 2004, VI Recycling has removed and transported more than 250,000 metric tons of scrap metal out of the territory. "For a territory with limited land space for waste disposal, these achievements are critical factors in advancing economic growth and contributing to the overall good health and welfare of this territory," she added.

© Viconsortium 2025