



News Release

Virgin Islands Port Authority
Office of the Executive Director
Public Relations Department
P.O. Box 301707
St. Thomas, VI 00803

Tel: (340) 774-1629
Tel: (340) 714-6640 / 714-6639
Fax: (340) 714-1492 / 774-0025
E-mail: info@viport.com
Internet: www.viport.com

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Contact:**Monifa A. Marrero**

Public Information Officer

Mmarrero@viport.com

VIPA BOARD RECONSIDERS WAIVING \$.50 FEE FOR ST. JOHN STUDENTS, SENIOR CITIZENS AND MEDICAL NEEDS TRAVELERS

The Virgin Islands Port Authority Governing Board of Directors, at its meeting held today, voted to consider selective waivers of its proposed \$.50 per passenger fee that will be collected at the Urman V. Fredericks Marine Terminal at Red Hook. Members of the board and Executive Director Kenn Hobson received a request from Governor John deJongh earlier this week to waive fees for school children, senior citizens and residents of St. John who travel regularly to St. Thomas for medical treatment. Board member Robert O'Connor Jr., who represents St. John, made the motion to have staff perform an analysis on waiving the fee as per the Governor's suggestion, and to also include an analysis of a discount for regular commuters.

Board member Gordon Finch also added that staff be specific in its analysis on how waiving fees for specific groups will affect the projected revenues to be collected from the fee, exactly how it will be determined who qualifies for discounts, and the amount to be discounted.

The fee was approved by the board in 1998, but collection of the fee was postponed until VIPA completed the Urman V. Fredericks Marine Terminal - which was opened in Sept. 2007. The board voted to begin collection of the fee in 2008. The \$.50 per passenger fee will generate about \$500,000 annually, and will be collected via turnstiles installed at Red Hook. VIPA has not purchased any turnstiles, and is currently negotiating partnering with the existing ferry companies that operate between St. Thomas and St. John for a one-ticket system. Red Hook is one of the most heavily used ports in the territory, handling over a million passengers a year.

The Board also heard a report from its aviation consultant, Jack Reynolds and Associates. Reynolds was hired to review and assist staff with Federal Aviation Administration programs which include: submission of a report on noise/land use regarding the properties acquired at Yellow Cedar during the expansion of the Henry E. Rohlsen Airport; facilitating the closure of the Anguilla landfill to meet the Dec. 31, 2009 deadline; review and prepare a wildlife management plan for the territory's airports for submission to the FAA; develop an airport minimum standards policy; and research possibilities of applying for additional funding from the FAA.

The Governing Board also decided to conduct an extended Finance Committee meeting on May 15-16 to discuss its options to improve the worsening financial condition of the Authority. Board members will hear several presentations from its consultants, including: Reynolds, financial consultant Seslia and Company, and a presentation of the fiscal year 2008 financial audit report from Ernst and Young.

The board also voted to:

- Deny a request from A.H. Riise to amend its lease agreement with VIPA to reduce the percentage of sales paid to VIPA from its stores on VIPA facilities in Red Hook and the Cyril E. King Airport on St. Thomas.
- Approve a total of 3 ½ years for MSI to complete construction of a bulk warehouse with a loading dock and ramp, a building and sheds at its leased facility at parcels 153, 154 and 170-1, Crown Bay.
- Approve a ten-year lease agreement with one five-year option to renew between VIPA and the Election Systems of the Virgin Islands for 4,839 square feet of space on the second floor of Building B of the Crown Bay Center. Elections will pay for \$20 per square foot with a five percent increase every three years, and \$5 per square foot for common area use charges.
- Approved a request to amend the agreement between VIPA and Sheek Shoe Boutique at the Crown Bay Center from a partnership to a sole proprietorship.
- Approve request from VI Public Television system to use the Austin Babe Monsanto Marine Terminal in Crown Bay free of charge to host the Taste of Two Islands fundraising event in November 2009. The board denied a request for VIPA to make monetary contributions towards entertainment costs for the event.

- Approved an extension for payment of rents owed by Skagway Jewelry Company until Sept. 2009, and to amend the list of approved items sold - provided outstanding rents are paid in full by September.
- Approved a five-year chattel lease between Tropical Shipping and VIPA for the gantry crane at the Wilfred Allick Port and Transshipment Center in St. Croix under same terms as the expired agreement.
- Approved awarding a \$79,341.85 contract to VI Asphalt Products Corporation to pave an apron to be used for access to hangars used by Seaflight and Seaborne Aviation at the Henry E. Rohlsen Airport on St. Croix.

Board members present were Cassan Pancham, Gordon Finch, Albert Bryan Jr., Atty. Vincent Frazer and Robert O'Connor Jr. Absent were Commissioner Beverly Nicholson-Doty, Commissioner Darryl Smalls, Dr. Yvonne Thraen, and Hector Peguero.