GOVERNMENT OF THE VIRGIN ISLANDS

STATEMENT

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West End Ferry Terminal Project To Be Reassessed To Ensure Financial Sustainability And Best Value For The Virgin Islands

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Monday, 17th February, 2025

The Recovery and Development Agency (RDA) remains committed to delivering critical infrastructure in a transparent, responsible, and cost-effective manner that delivers the best outcomes for the Virgin Islands.

As part of this commitment, the RDA recently invited bids for the Construction of the New West End Ferry Terminal project, with an estimated budget of $15 million. We recognize that this project has been long-anticipated, with discussions spanning over several decades with successive Governments.

While it has been a longstanding priority, it was the devastation caused by Hurricanes Irma and Maria in 2017 that gave the RDA the mandate to oversee the West End Ferry Terminal project. The support of the RDA for this important infrastructural investment has strengthened its potential for completion, and we are steadfast in our responsibility to bring this project to fruition.

However, the complexities of large-scale infrastructure projects—particularly in a dynamic economic climate — necessitate ongoing strategic reassessment to ensure the best outcomes and long-term success.

The procurement process for the West End Ferry Terminal reached an important milestone with the opening of the financial aspect of received bids from shortlisted firms on Friday, 14th February, 2025. From the four firms shortlisted to participate in this tender opportunity, two bids were received: one from a joint venture firm comprised of two Virgin Islands companies, and the other from a Canadian firm. The submissions came in significantly above the allocated budget, at approximately $64 million and $94 million, respectively.

While market conditions, cost fluctuations, and global economic factors can influence project estimates, the substantial difference between the estimated budget and submitted bids has prompted a strategic reassessment of the requirements and priorities of this project.

The RDA immediately convened a meeting with representatives from the Ministry of Communications and Works and the BVI Ports Authority to discuss the way forward following the announcement of the bids. After careful deliberation, and in collaboration with these key stakeholders, this disparity has prompted us to take a responsible step, and a decision was made to further review the Statement of Requirements (SoR) and the needs of the Client to determine the project priorities and certified operating requirements, which will take into further consideration value engineering and potentially a reduction in size and scope. As a result, the RDA will provide a further update to the current procurement process within the next week.

We understand the frustration that delays can cause, but our priority is to ensure that this project is executed in a financially sustainable and competitive manner.

This additional review allows us to refine the approach and further engage with stakeholders to yield cost-effective yet high-quality outcomes. This step reinforces our commitment to getting it done the right way.

We recognize and appreciate the time, effort, and financial resources that bidders have invested in preparing their submissions. The RDA understands that participating in the tender process comes at a cost, and we do not take this lightly.

As we move forward, we remain committed to ensuring a procurement process that maximizes fairness and efficiency. The insights gained from this round will contribute to a revised approach while maintaining the highest standards of quality. We value the continued engagement of all eligible firms and welcome their participation moving forward.

The RDA remains focused on delivering results, having been created in 2018 as a purpose-built specialist project implementation agency. We will provide further updates as we take the necessary steps to move this project forward. We appreciate the patience and support of key stakeholders including the entire Virgin Islands community, and the continued interest of eligible firms.