



# Legislature of the Virgin Islands

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## POST AUDIT DIVISION

March 14, 2024

### MEMORANDUM:

**TO:** Honorable Donna A. Frett-Gregory  
Chairperson,  
Committee on Budget, Appropriations and Finance  
35<sup>th</sup> Legislature of the Virgin Islands

**FROM:** Post Audit Division

**SUBJECT:** Lease Agreement

**LESSOR:** Department of Property & Procurement

**LESSEE:** Pro Mar Services, Inc.

**PREMISES:** (a) Parcel Nos. 149-2 Submarine Base, No. 6 Southside Quarter, St. Thomas, Virgin Islands, consisting of 7,705 U.S. sq. ft. or 0.177 U.S. acre of land more-or-less;  
(b) Parcel Nos. 159A Submarine Base, No. 6 Southside Quarter, St. Thomas, Virgin Islands, consisting of 4,580 U.S. sq. ft. or 0.105 U.S. acre of land more-or-less;  
(c) Parcel Nos. 159-1 Submarine Base, No. 6 Southside Quarter, St. Thomas, Virgin Islands, consisting of 1,644 U.S. sq. ft. or 0.0377 U.S. acre of land more-or-less; and  
(d) Parcel 159 Remainder Submarine Base, No. 6 Southside Quarter, St. Thomas, Virgin Islands consisting of 16,232 U.S. sq. ft. or 0.37 U.S. acre of land more-or-less

**TERM:** Ten (10) year period, with an option to renew for two (2) five (5) year periods. Initial lease term commences on the first day of the month following approval by the Legislature and the Governor of the Virgin Islands.

**PURPOSE:** The property will be used operate a marine surveyor and consulting business, and for no other purpose whatsoever.

### LEASE SUMMARY

**BACKGROUND:** Pro Mar Services, Inc is an owned and operated business doing business in the US Virgin Islands since 1998. This proposed lease agreement will allow Pro Mar Services, Inc the use of Government

properties to conduct business operations and perform numerous tasks. Attached in Appendix I are pictures of the property for lease.

### REQUIRED SUPPORTING DOCUMENTATION

DOCUMENT	EXPIRATION DATE
Business License	8/31/2024
Trade Name Registration	
Certificate of Liability Insurance	6/16/2024
Certificate of Good Standing	6/30/2024

### PAYMENT TERMS

\$24,000.00 per annum payable in equal monthly installments of \$2,000.00 due on the first day of each month during the term thereof. After the first (1<sup>st</sup>) year of the initial term, and every year thereafter, the rent shall be adjusted in accordance with the Consumer Price Index but not more than 3% over any proceeding year period. In no event shall any rent determined in the above manner be reduced below the annual rent of \$36,000.00. A late charge takes effect after ten (10) days of the due date for an additional ten percent (10%) of the monthly payment.

### IMPROVEMENTS

Lessee shall not erect any improvements on the Premises or alter the Premises in any way without the prior written consent in each-and-every case from the Commissioner of Property and Procurement; in addition to whatever other licenses or permits are deemed necessary.

Lessee agrees to keep the said Premises and appurtenances as repaired, in a clean and tenantable condition, and to return said Premises to Lessor upon the expiration or other termination of this Lease, in as good condition as it was since the last repairs were made, less reasonable wear and tear from intervening use.

### LIABILITY INSURANCE

Under the terms of the lease the Lessee agrees to:

- Keep in force a policy of public liability and property damage insurance with limits of not less than:
  - One Million Dollars (\$1,000,000.00) property damage,
  - One Million Dollars (\$1,000,000.00) for one person injured or killed, and
  - One Million Dollars (\$1,000,000.00) for any number of persons injured or killed in any one accident.
- All of said insurance shall be in a form satisfactory to Lessor and shall provide that it shall not be subject to cancellation, termination, or change, except after thirty (30) days prior written notice to Lessor.

### ADDITIONAL INFORMATION

A thorough explanation of the following can be found in the lease document:

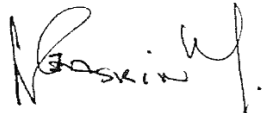
Items	Page
• Improvements	4-5
• Mechanic's Lien	5
• Insurance and Indemnity	6
• Entry by Lessor	7
• Condemnation	7-8
• Cancellation, Termination and Assignment and Transfers	8-10
• General Terms and Conditions	10-13

### EXECUTIVE BRANCH APPROVALS

Signee	Title	Department	Date of Signature
Lisa M. Alejandro	Commissioner	Department of Property & Procurement	11/7/2023
Jessica McKenney	Assistant Attorney General	Department of Justice	11/17/2023
Albert Bryan, Jr.	Governor	Office of the Governor	12/14/2023

### CONCLUSION

The Department of Property and Procurement has entered into a lease agreement with Pro Mar Services, Inc. whose purpose is to operate a marine surveyor and consulting business, and for no other purpose whatsoever. All licenses and certificates are in compliance with the laws and regulations of the Government of the Virgin Islands. The terms and conditions of the lease are consistent with other leases issued by the Department of Property and Procurement. Therefore, the Post Audit Division recommends approval of this Lease between the Department of Property and Procurement and Pro Mar Services, Inc.



Wendell M. Gaskin, CPE  
Post Auditor

APPENDIX I

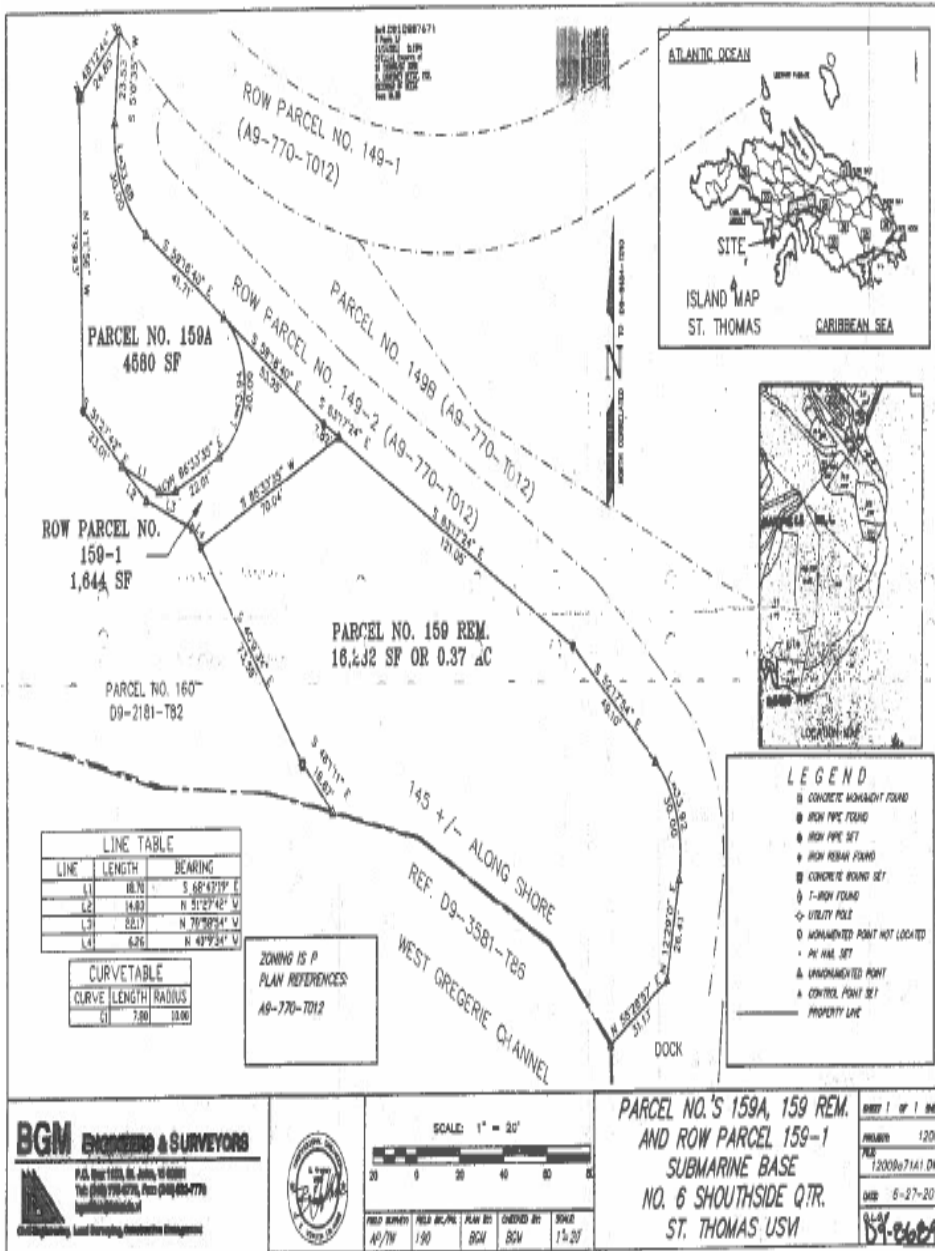
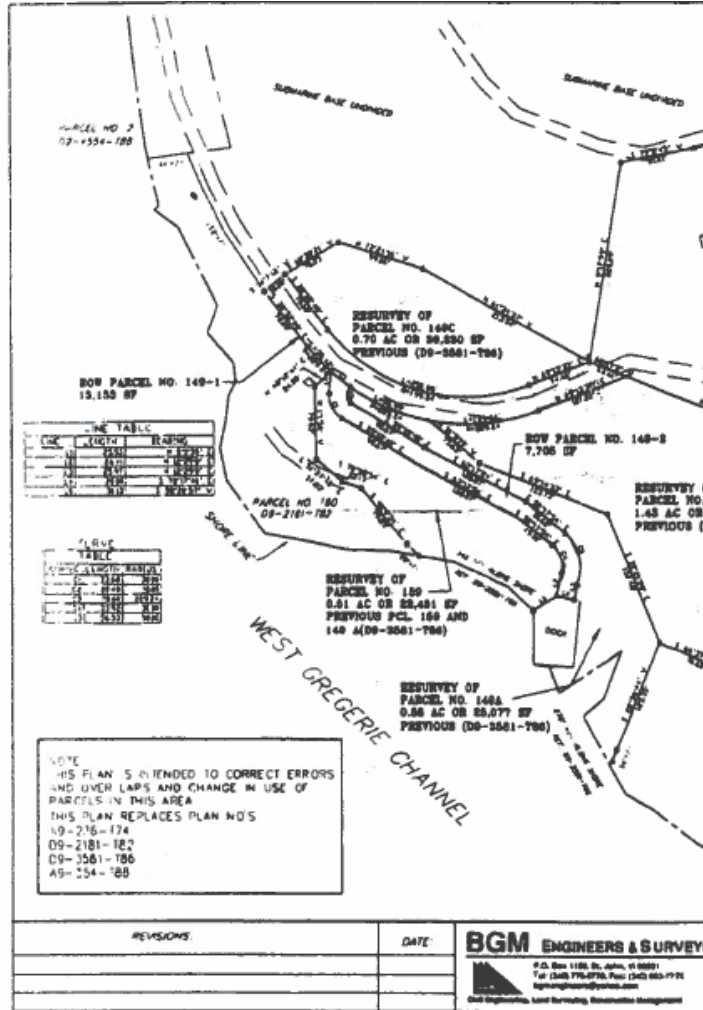


EXHIBIT  
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