

**The 35th Legislature of the U.S. Virgin Islands
Committee on Budget, Appropriations, & Finance**

March 19, 2024

REGARDING:

Lease Agreement between the Department of Property and Procurement and ProMar Services, Inc. for:
Parcel Nos. 149-2, 159A, 159-1, and 159 Remainder Submarine Base, No. 6 Southside Quarter, St. Thomas, Virgin Islands, consisting of a combined total of 29,661 U.S. sq. ft. or 0.680 U.S. acres.

ST. CROIX, U.S. VIRGIN ISLANDS

Jean Patrick Vivot's

TESTIMONY

On behalf of

ProMar Services, Inc.

ProMar Services, Inc.

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Pleasant good morning, Committee Chair Donna A. Frett-Gregory, Vice-Chair Novelle E. Francis, Jr., Committee members – Senators Blyden, Carrion, DeGraff, Fonseca, and James, Sr., Legislative Staff, other testifiers, and viewing audience.

I am testifying today to request this Committee's and the full Senate's approval of the Lease Agreement between the Government of the Virgin Islands and Pro Mar Services, Inc. This Lease Agreement requires legislative approval in accordance with 31 V.I.C. § 205 (c).

Pro Mar Services, Inc.

ProMar Services, Inc. (hereinafter, "ProMar") is one of only a few locally based marine services companies in the U.S. Virgin Islands. Pro Mar performed a substantial part of the work to remove derelict sunken vessels that were a blight on Krum Bay for many years. Pro Mar proudly performed this important task to clean our sea in an environmentally responsible manner, in close conjunction with DPNR. We also conducted derelict vessel clean ups on St. Croix post-hurricanes Irma and Maria. Our company hires approximately 15-20 people, mostly Virgin Islanders, and provides our personnel with a variety of marine-construction related training courses including courses in: safety; hazardous materials; and Coast Guard regulatory compliance that will serve them well in their careers. The Property will function as the base for ProMar's marine services within Krum Bay.

The Lease Agreement is for Parcel Nos. 149-2, 159A, 159-1, and 159 Remainder Submarine Base, No. 6 Southside Quarter, St. Thomas, Virgin Islands, consisting of 29,661 U.S. sq. ft. or 0.680 U.S. acres. The initial term is ten (10) years with two (2), five (5) year renewal options. The annual rent is Twenty-Four Thousand Dollars and Zero Cents (\$24,000.00) payable in equal monthly installments of Two Thousand Dollars and Zero Cents (\$2,000.00) and adjusted annually for inflation in accordance with the Consumer Price Index increase established by the U.S. Department of Labor, Bureau of Labor Statistics.

Currently the property is an empty lot, adjoining a cliff, and contains a significant amount of trash and industrial debris. ProMar's first order of business will be environmentally responsible trash and debris remediation. Subject to pertinent permitting, Pro Mar also intends to: rehabilitate the Property by installing retaining walls to prevent inevitable coastal erosion; and construct a small office building on the Property. Pro Mar will carry public liability coverage as required under its lease with DPP.

The Premises will be returned to Government of the Virgin Islands at the end of the lease terms in a significantly improved condition.

This concludes my prepared testimony to this honorable body. I am prepared to answer questions the Committee may have on the Lease Agreement. Thank you for your consideration.