

COMMITTEE ON HOUSING,
TRANSPORTATION &
TELECOMMUNICATIONS

SENATOR MARVIN BLYDEN
CHAIRPERSON

BILL NO. 34-0069
CIP MASTER CONTRACT



DEREK GABRIEL

COMMISSIONER
DEPARTMENT OF PUBLIC WORKS
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INTRODUCTION

Good morning Senator Marvin Blyden, Chairperson of the Committee on Housing, Transportation & Telecommunications; Committee members; all other senators in attendance today; as well as those in the listening and viewing audience.

I am Derek Gabriel, Commissioner of the Department of Public Works (DPW). With me today is Mr. Rueben Jennings, Deputy Commissioner of Administrative Services and Mr. Jomo Clean, Program Manager for the Office of Highway Engineering. We are here to testify on bill number 34-0069, which seeks to define the term "capital improvement project", as well as to implement a master contract, maintained by DPW, for the purpose of providing government departments and agencies with architectural and engineering services for projects with a total cost less than \$500,000.



We support the intent of the legislation, as drafted. It gives our Capital Improvement Projects Division the tools to assist agencies, specifically on smaller projects. Oftentimes, we see where smaller projects are lost in the shuffle because agencies do not have the resources to allow for proper management and execution. The DPW Division of Capital Improvements supports the Governor's Capital Improvement Program and provides for the renovation and construction of public facilities as prioritized by the Governor and delivers administrative engineering support to the various executive branch agencies as required.

Simply put, our in-house engineers, architects and project managers do not have the capacity to manage smaller projects with tight schedules and timelines. This proposed legislation gives user agencies a conduit to make sure smaller projects under a half million dollars have the management resources they need to be successfully executed in a timely manner.

We are grateful for the additional language outlining the definition of a capital improvement project as, "any new construction, expansion, renovation, major maintenance, rehabilitation, or replacement project for an existing facility or facilities which have a total cost of at least \$500,000 over the life of the project," as it had not been previously delineated.

The master services task order contract will allow us to provide engineering, design, construction management, and inspection services for those projects that fall under the newly implemented half million-dollar threshold set for capital improvements projects. This tool will aid government agencies in getting the support they need once they have the necessary funding to dedicate. It is important to note that they will still be responsible for identifying funds to pay for these front end engineering, design, construction management and inspection services.

RECOMMENDATIONS

As stated above, my recommendation surrounds funding. All user agencies undertaking projects, both over and under the threshold, should allocate 15-17% of the estimated project cost for the following services:

- a. 4% for front end engineering;
- b. 6-8% for design services;
- c. 5% for construction management and inspections.

This allotted funding will be used to pay contractors selected under the task order contract managed by DPW.

In closing, this bill falls in line with the Governor's new mandate underway at the Department of Property and Procurement, to serve the people of the USVI and our sister agencies, partner with the private community, and create an environment of best practices that will improve and enhance the way business is conducted for the Government of the Virgin Islands.

Thank you for the opportunity to present this testimony today on behalf of the Department of Public Works. My team and I will remain to answer any questions you may have.