Randolph N. Bennett
Commissioner
June 21, 2016
Good day Honorable Senator Clifford F. Graham, Chairman of the Committee on Finance and all other distinguished Senators present today, legislative staff, citizens of the Virgin Islands and my dedicated and committed staff.

My name is Randolph Nathaniel Bennett, Commissioner Department of Property and Procurement. In the well with me today are Latisha Blyden, Deputy Commissioner of Procurement, LaVerne Bailey, Deputy Commissioner for the Divisions of Property in St. Croix; Vincent Richards Deputy Commissioner of Property & Printing in St. Thomas, Eldine W. Sterling, Deputy Commissioner Transportation; and Ladee Shanna Martin, the Administrator of Fiscal and Personnel Services.

My team and I are here today to discuss the historic progress and unprecedented reforms that have been achieved by the Department of Property and Procurement in FY15 and FY16. We appreciate, and would like to continue, the partnership with the Executive Branch and this Legislative Body so together we may achieve even greater progress for the people of the Virgin Islands in FY17. I am especially grateful for the Legislature’s cooperation over the past year; you have been right here by the side of Property and Procurement and the people of the territory.
As we discuss the proposed Executive Budget for Fiscal Year 2017 for the Government of the United States Virgin Islands (GVI), I will outline how the current Administration took remarkable efforts to reduce the deficit it inherited by ensuring effective management at P&P.

The FY17 Executive Budget, which will finance the second fiscal year of this Administration, was structured to improve on the foundation laid by the FY16 budget. After reviewing the records from the past administration, the Mapp-Potter Administration took an aggressive approach to reduce the DPP budget from $18.5 million to $15.3 million which is a significant reduction of $3.2 million for this department. This cut reflects the Department’s commitment towards abatement of the overall GVI deficit and our department’s ability to manage its own FY16 Budget by reducing spending.

It is the mission of Property and Procurement to help our economy grow by remaining competitive and by expanding the capability of all working Virgin Islanders. Over the past year, Property and Procurement has provided training and educational opportunities for many employees of departments and agencies of the Government which will allow them to be more effective and have a competitive contracting environment and will allow them to be more complete in their individual agency contracting environments.

We held the first Annual Economic Conference on “Doing Business with the GVI” that was open to the public to provide concise information on the government contracting processes to include:

- Requisitions and Purchase Orders
- Procurement of Contracts Flowchart
- Advertisements
- Invitation for Bid, Request for Proposal, Request for Qualification
- Evaluation Process
- Professional Service Contracting
- Construction Contracting
- Bonding
- Preferred Bidder Status
- Changes in the law
The Department of Property and Procurement sincerely believes we can reduce the Territory’s deficits through wiser procurement and streamlined contracting.

We will transition to our budget overview presented in slides then we will proceed to our budget discussion in detail. Also, we will note and highlight the department’s areas of responsibilities.

** Transition to slides please.

<table>
<thead>
<tr>
<th>Document Type</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>FY 2016</th>
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<tr>
<td>Professional Service Contracts</td>
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<td>Construction Contracts</td>
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<td>93</td>
<td>84</td>
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<tr>
<td><strong>Total</strong></td>
<td>24,906</td>
<td>26,274</td>
<td>17,153</td>
</tr>
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</table>

------Construction:  FY14  $4.3  M;  FY15  $7.1M,  FY16  $38.266M  
Building Infrastructure  
------Purchase Orders:  FY14  $317.556M;  FY15  $152.483;  FY16  $141.136M  
Cutting Spending
Recently, there was a proposal to take the funding from leased properties acquired in the HOVENSNA – LimeTree/GVI agreement and transfer those funds from Property and Procurement to support the Government Employee Retirement System (GERS). This kind of proposal cannot be made into reality because the department is greatly underfunded to care for government property.

We must make prudent decisions that benefit everyone and not a selected few. We must continue to work together to strengthen the Territory’s position in this competitive global economy. We must ensure that our greatest achievements from the past year such as vehicle reduction, best value procurement, compliant property management, and improved contractual processes for infrastructure improvements are not compromised in the FY17 budget.

We must provide for the lease of necessary space for all departments, offices, commissions, agencies, and other instrumentalities of the executive, legislative and judicial branches of the Government of the United States Virgin Islands and make the payment of the rentals on all such leased office space out of moneys appropriated to the Department for the purpose of such payments. Therefore, our staff and budget must be able to support this legal requirement.

I hope, I have demonstrated through effective leadership that my ideas on how to accomplish these goals set forth by Governor Mapp and this administration worked. However, I welcome the thoughts and insights from you, within this Body, and from those from our community on how to improve services at Property and Procurement. The following is a detailed breakdown on the FY17 budget for the various divisions within the Department of Property and Procurement.

Randolph N. Bennett
Commissioner
Fiscal Years 2013-2014, revenue collections decreased due to a total of $608,135 in rental delinquencies. This was due to a backlog in evictions by the Department of Justice and delinquent tenants not agreeing to make settlements or agreements.
The Department is increasing its use of the Print Shop.
<table>
<thead>
<tr>
<th>Fund Name</th>
<th>Fund No.</th>
<th>Appropriated</th>
<th>Non-Appropriated</th>
<th>Revenue Generating</th>
<th>Activity</th>
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<td>✓</td>
<td>Property Management</td>
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<td>Inspection, Repairs &amp; Maintenance of GVI Fleet</td>
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<td>Central Warehouse</td>
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<td>Sale of Supplies</td>
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<td>GVI Gasoline Coupon Distribution Program</td>
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<td>Printing Production</td>
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<td></td>
<td></td>
<td>Sales of Plans &amp; Specs / Contract Administration</td>
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<tr>
<td>General</td>
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<td></td>
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<td>Departmental Operating Expenses</td>
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<td>Indirect Cost</td>
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<td></td>
<td>Salaries &amp; Fringe Benefits</td>
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</table>
The Division processed the following as of June 6, 2016.

<table>
<thead>
<tr>
<th>Document Type</th>
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<td>24385</td>
</tr>
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<td>Contract Payments</td>
<td>237</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>24906</td>
</tr>
</tbody>
</table>
That work produced FY14, FY15 and FY16
COR TRAINING
GVI CERTIFIED CORs

St. Croix Training
May 23-27, 2016

St. Thomas Training
November 16-20, 2015
CENTRAL STORES - STT
RELOCATION OF CENTRAL STORES - STX

Old Central Stores

Current Location

NEW Central Stores
Main Street, St. Thomas
Lt. Governor Property on St. John
Michelle Motel
Citizen Volunteers
Clean Up
Meeting with Members of the Drag Racing Association to Discuss Potential Site for New Track
E-WASTE
Princesse Ruins II
DIVISION OF PROPERTY - STX CONT'D.

VITEMA Building
Division of Property - STX Cont’d.

Penitentiary III
On Feb. 22, 1948, President Harry S. Truman arrived in St. Thomas aboard the U.S.S. Williamsburg. After public greetings and speeches at Emancipation Garden, a tour of the island included a 10-minute stop at Drake’s Seat (above) overlooking Magens Bay and the islands to the east. The car they toured in was a 1948 Packard convertible belonging to Herbert E. Lockhart Jr., Gov. William H. Hastie’s brother-in-law.
In 1955, Vice President Richard M. Nixon rode in this 1953 Chevrolet Bel-Air Convertible from the St. Thomas airfield on a goodwill tour of the island. On Jan. 28, 1957, The Virgin Islands Daily News reported that the former vice president had purchased a 2 ½-acre homesite at Estate Blue Mountain on St. Croix.
Aging and Damaged First Responder Vehicles
Aging Fleet
2015 Equinox Severe Damage by Employee Driving into a Pole
2015 Equinox Vandalized.
All Four Tires Stolen.
GVI Vehicle Caught Outside Home Depot Being Used for Personal Use.
DIVISION OF TRANSPORTATION CONT’D

GVI VEHICLE SOLD
Vehicle Sold at Auction Being Used by Business Owner
Create Opportunities for Small Businesses to Provide Maintenance on GVI Vehicles.
§ 218. Powers and duties of Department; budget

(a) The Department shall exercise general control over the enforcement of the laws relating to the subjects referred to below in this section, and, with respect thereto, shall—

1. provide for the government an economical and efficient system for the procurement and supply of all property and nonpersonal services including related functions, such as the control, inspection, storage, issue, specifications, identification, classification, transportation, traffic management, repair, conversion, and inventory of property, and the establishment of forms and procedures therefor;

2. have authority for the management, control, disposition, and use of government real property, and related functions such as—
   - establishing and maintaining land inventories;
   - administering an effective homesteading program designed to assist in the creation of new land owners;
   - facilitating the utilization of land for the best public benefit under efficient and economic production plans;
   - the making of loans for the construction of housing (individual ownership) as FHA mortgagee;
   - the administration of the territorial home loan program involving construction loans to individuals; and
   - the administration, collection, enforcement and liquidation of all funds, loans, agreements, and obligations formerly covered under the Native Industries, home loan and homestead funds;

3. enforce price and rent control laws and regulations;

4. operate the Government Printing Office and set the fees for its use and operation;

5. manage rental properties owned or controlled by the Government, except as limited by Federal law, hotels, and housing development programs or projects;

6. and make inventory and establish forms and procedures for the sale, rental, or disposition thereof;

7. administer and enforce all laws and authorized regulations relating to weights and measures;

8. perform the functions as may be required by Federal law in order to participate in Federally-aided projects; and

(b) The Department shall prepare the Budget for the Department for submission to the Commissioner of Finance.

By this section, Department of Property and Procurement of Government of Virgin Islands is empowered to manage, control, dispose of and use government real estate, including rental properties of all kinds owned or controlled by Government.