

VIRGIN ISLANDS WATER AND POWER AUTHORITY  
POST OFFICE BOX 1450  
SAINT THOMAS  
U.S. VIRGIN ISLANDS 00804



**CONTRACT BETWEEN THE VIRGIN ISLANDS WATER AND POWER AUTHORITY  
AND PRODUCT QUALITY MANAGEMENT, LLC**

**Contract No. SC-07-25**

**The Proceeding Contract is a properly negotiated agreement between all parties involved. Any marks, changes, white out, or deletions without the expressed written permission from all parties involved shall make this contract null and void.**

This Contract is entered into this 22nd day of November, 2024 by and between PRODUCT QUALITY MANAGEMENT (PQM), LLC (the "Contractor") located at 1710 Preston Rd., Suite 160, Pasadena, TX 77503 and the VIRGIN ISLANDS WATER AND POWER AUTHORITY (the "Authority"), located at 9720 Estate Thomas, P.O. Box 1450, St. Thomas, USVI 00804, for the purpose of performing inspection and testing services for Saintnals, US Virgin Islands.

**WITNESSETH**

In consideration of the mutual promises, covenants and conditions contained herein, the Parties hereto, intending to be legally bound, hereby agree as follows:

**1. SCOPE OF WORK/WORK:** The Scope of Work set forth herein shall hereinafter be referred to as the "Work". Contractor shall perform inventory monitoring and testing services for Saintnals. Inventory monitoring at Saintnals St. Croix and St. Thomas, U.S. Virgin Islands. The Work shall consist of the following Tasks as indicated below:

- Task 1: Daily inventory monitoring
- Task 2: Mid-month and month-end inventory
- Task 3: Mid-month and month-end reconciliation

- Task 4: Month-end composite sample analysis
- Task 5: Discharge of LPG Vessels at Saintnals St. Croix as custody transfer of product load or discharge of LPG Shuttles

Contractor shall perform the Work in accordance with the Contractor's Scope of Work as outlined in Exhibit "I", a copy of which is attached hereto and made part hereof. Contractor shall also perform the Work in accordance with the Authority's Professional General Contract Terms, attached hereto and made a part hereof and identified as Appendix "A".

**2. CONSIDERATION:** In consideration of the Contractor's performance of the Work, the Authority shall pay to Contractor for a **Not to Exceed an amount of Three Hundred Seventy-Two Thousand Dollars 00/100 (\$372,000.00)** per year with a **Total Contract Consideration of Seven Hundred Forty-Four Thousand Dollars and 00/100 (\$744,000.00)** based upon Contractor's established rates as outlined in Exhibit "I". Said consideration shall be for providing the services associated with the Scope of Work.

Contractor shall invoice the Authority on a monthly basis based on monthly billing rate and provide the Authority with an accounting of the description of the work performed. Invoices shall be submitted to the Authority's Project Manager.

Acceptance of the services performed is contingent upon approval of the Work by the Authority's Project Manager. The consideration stated herein shall be for all Work performed by the Contractor pursuant to this Contract. Payment of any taxes shall be the sole responsibility of the Contractor. Unless otherwise required by law, the Authority shall not be responsible in any way for the direct payment of any of Contractor's taxes.

**2. TERM:** This Contract shall commence upon full and final execution by the Parties and issuance of a Notice to Proceed from the Authority. The Contract shall be **two (2) years** from the issuance of the Notice to Proceed with an option to renew. The Authority and Contractor may extend, in writing, the term of this agreement.

**3.TERMS OF PAYMENTS:** All invoices shall be submitted electronically to the Project Manager. Invoicing shall be submitted upon completion of milestones met. All invoices will be based upon a thirty (30) day payment term of approval. Payments shall be made on a progress billing and payment method, after review and approval by the Authority's Project Manager, in accordance with the payment schedule below:

- **Inventory Monitoring:** \$9,000.00 subtotal
- **Vessel Inspection (imports):**
  - Inspection fee \$2,200.00 split three ways (ex. Carib LPG, Vitol, WAPA) = \$733 each discharge
  - Estimated two vessels per month  $3 \times \$733 = \$2,199$  subtotal
- **Vessel Inspection (shuttles):**
  - Inspection fee of \$2,200 split two ways (ex. Vitol, WAPA) = \$1,100 each load or discharge
  - Estimated nine vessel loads and nine vessel discharges per month,  $18 \times \$1,100 = \$19,800$  subtotal

**TOTAL ESTIMATED MONTHLY CHARGES TO WAPA \$30,999.00**

**4. GROSS RECEIPT TAXES:** It is agreed between the Parties that for the purposes of complying with Title 33, Section 44 of the Virgin Islands Code, the Authority shall

withhold and forward to the Bureau of Internal Revenue for the sum Not to Exceed of **Thirty-Seven Thousand Two Hundred Dollars and 00/100 (\$37,200.00)** or such amount as required by any changes to the law at 33 VIC Section 43(a). The Contractor agrees that calculation of gross receipts taxes shall be the sole responsibility of the Contractor. The Authority shall not be responsible in any manner for miscalculation of the gross receipts due under this contract or for any additional assessments by the Bureau of Internal Revenue resulting from work performed under this contract.

In the event the contract is amended, and the consideration herein increases, the appropriate amount of Gross Receipt Taxes to reflect the increase in the consideration will be deducted.

**5. BUSINESS LICENSE:** Contractor must comply with all Virgin Islands' laws with respect to licensing which must be obtained in connection with its business operation(s). All necessary and applicable license(s) shall be obtained by the Contractor and copies presented at the time of contract execution. Failure by Contractor to present its license(s) at the time of execution of the contract by the Contractor may, at the sole option of the Authority, be grounds to rescind the Contract award and consider the Contract void.

**6. RELIANCE:** The Contractor's representations of its ability to perform the Work with skilled and competent personnel are a substantial and material condition of this Contract. The Contractor agrees, or is otherwise aware, that the Authority shall rely on all the representations in its correspondence as incorporated in its submitted document attached hereto as Exhibit "I".

**7. OWNERSHIP AND USE OF DOCUMENTS:** All documents and data, written

or otherwise generated by Contractor under the Contract including original drawings, estimates, reports, specifications, calculations, field notes, data, etc., and work product are to become the property of and shall be delivered to the Authority. Contractor shall retain one reproducible copy of these documents generated by the Contractor.

**8. INDEMNIFICATION:** If the Authority is entitled to defense and indemnification under this Agreement and the Contractor fails, after notice and reasonable opportunity, to assume the defense of such claim, the Authority may at the expense of the Contractor contest, settle or consent to the entry of any judgment with respect to, or pay in full, such claim and Contractor shall upon demand promptly reimburse the Authority for all defense and settlement costs. For clarity, the Authority acknowledges that the Contractor is not responsible for indemnification of any claim by Tantalus.

**9. ENVIRONMENTAL RESPONSIBILITY:** The Contractor shall, in the performance of the Scope of Work referenced herein, comply with all applicable rules, regulations, and guidelines issued by the U.S. Environmental Protection Agency (EPA), the Occupational Safety and Health Administration (OSHA), the V.I. Department of Planning and Natural Resources (DPNR), and all other federal and territorial regulatory agencies. The Contractor shall indemnify the Authority for any and all fines that may be assessed against it as a result of the Contractor's failure to adhere to the laws, regulations and directives of the federal and territorial regulatory agencies; and it shall furthermore pay all costs, expenses, and attorney's fees reasonably incurred in connection therewith.

**10. SAFETY PRECAUTIONS:** The Contractor shall be responsible for initiating and maintaining safety precautions and programs and supervising its personnel to ensure

the safe performance of the Work. The Contractor shall, furthermore, provide all its personnel with sufficient and appropriate safety devices.

The Contractor shall ensure that the services provided, and the products, equipment, and materials furnished and/or utilized are in strict compliance with any and/or all applicable codes and standards regulating its activities, including, but not limited to the following:

1. EPA- Environmental Protection Agency
2. OSHA - Occupational Safety and Health Administration

The Contractor shall also comply with any and all applicable U.S. Virgin Islands' fire, health, environmental and public safety codes.

**11. DESIGNATED PERSONNEL:** The Authority reserves the right to designate personnel to provide information and to coordinate the Work with the Contractor. The Authority designates the following individual in the following capacity:

Vernon Alexander  
Project Manager  
**V.I. Water and Power Authority**  
P. O. Box 1450  
St. Thomas, VI 00804  
(340) 642-6546 (cellular)  
[vernon.alexander@viwapa.vi](mailto:vernon.alexander@viwapa.vi)

The Contractor designates the following individual in the following capacity:

Samuel Caban  
President  
**Product Quality Management, LLC**  
1710 Preston Rd., Suite 160  
Pasadena, TX 77503  
(832) 516-8280

**12. PROFESSIONAL STANDARDS:** The Contractor shall observe and maintain the professional standards and good practices applicable to its profession and to contractors doing business in the U.S. Virgin Islands.

**13. LIABILITY OF OTHERS:** Nothing in this Contract shall be construed to impose any liability against the Authority to persons, firms, associations, or corporations engaged by the Contractor as servants, agents, or independent contractors, or in any other capacity whatsoever, or make the Authority liable to any such persons, firms, associations, or corporations for the acts, omissions, liabilities, obligations, and taxes of Contractor of whatsoever nature, including but not limited to employment insurance and social security taxes for Contractor, its servants, agents, employees, or independent contractors.

**14. CHANGE ORDERS/ADDITIONAL SERVICES:** The Contracting Officer must approve, in writing, all change orders or requests for additional services. In the absence of such written approval, the Authority shall not be liable for the payment of any services performed outside of the scope of the Contract.

**15. COMPLIANCE WITH OTHER LAWS:** The Parties to this agreement shall comply with all applicable laws, rules, regulations and public policies that prohibit unethical conduct regarding the obtaining, retention or conduct of business or an unfair advantage ("Laws"). The Parties shall not directly or indirectly give, offer, promise, authorize, or allow to be given, offered, or promised, anything of value to an official or employee of any government, state-owned enterprise, international organization including subdivisions thereof or entities acting on behalf of a government, state-owned enterprise, international organization or subdivision thereof (any such employee or official referred to collectively as

“Official”), while knowing or having reason to know that such thing of value is to be given, offered, or promised to an Official (including political parties or officials thereof or candidates for foreign office) in order to: (i) influence any officials thereof, or (ii) induce such Official to use this influence to affect or influence any act or decision of any government (or any subdivision thereof), or (iii) assist the Parties in obtaining or retaining business, or in directing business to any person or obtain an unfair advantage for the Parties in any respect.

Should any Party violate any of the Laws then: (i) the other Party(s) shall have the right to immediately terminate the Agreement for cause; (ii) the other Party(s) shall have a right of action against the offending Party in breach of such laws; and (iii) the offending Party shall indemnify the other Party(s) for any penalty, loss or expenses incurred by the other Party(s) as a result of the offending Party’s breach of any of its obligations under this Section.

**16. INDEPENDENT CONTRACTORS:** It is expressly agreed that the Parties shall be independent contractors and that the relationship between the Parties shall not constitute a partnership, joint venture, or agency. Neither Party shall have the authority to make any statements, representations, or commitments of any kind, or to take any action, which shall be binding on the other Party, without the prior consent of such other Party.

**17. FORCE MAJEURE:** Notwithstanding anything to the contrary contained herein, Contractor shall not be liable for any delays or failures in performance resulting from acts beyond its reasonable control including, without limitation, acts of God, terroristic acts, shortage of supply, labor difficulties, war, or civil unrest.



**18. PRESENTATION OF COMPLIANCE WITH LAW:** The Parties hereto represent and warrant that this Agreement and its performance do not violate any applicable law, regulation or binding policy of the United States Virgin Islands. Any Party hereto shall be relieved of its obligations to perform under this Agreement to the extent such performance would violate any law, regulation or binding policy of the United States Virgin Islands.

**19. INSURANCE:** The Contractor shall, at its expense, before any Work is commenced, cause to be issued and maintained until sixty (60) days after acceptance of the Work, insurance as described in the Authority's Professional General Contract Terms with Federal Requirements dated March 14, 2019. A copy of the insurance certificate must be presented to the Authority's Contracting officer at contract execution.

**20. CONTRACT DOCUMENTS:** Contractor shall complete Work in accordance with the Contract documents. The Contract documents include:

1. The Authority's Professional General Contract Terms with Basic Insurance Requirements dated March 14, 2019, attached hereto and made a part hereof and identified as Appendix "A"; and
2. Contractor's Quotation for Service attached hereto and made a part hereof as Exhibit "I".

In the event of any conflict, the terms of this Contract will govern over the provisions of the Contract Documents listed above. This Contract and Contract Documents constitute the entire agreement between the Parties hereto, merging all prior understandings or communication, written or oral, with respect to the subject matter hereof.

**21. NON-DISCRIMINATION:** No person shall be excluded from participating in,

be denied the proceeds of or be subject to discrimination in the performance of the contracted services on account of race, creed, color, sex, religion, disability, or national origin.

**22. PROFESSIONAL GENERAL CONTRACT TERMS:** This Contract is subject to the Authority General Professional Contract Terms hereto and made a part of this Contract as Appendix "A".

**23. VENUE:** The Parties agree that all causes of action against either Party shall be brought in the court of competent jurisdiction in the United States Virgin Islands. The Parties further agree that process may be served upon them in any manner authorized by the laws of the United States Virgin Islands for such persons and waives and covenants not to assert or plead any objection which they might otherwise have to such jurisdiction and such process.

**24. GOVERNING LAW:** The laws of the United States Virgin Islands shall govern the interpretation and construction of this Agreement to the extent applicable. The Parties agree that all causes of action against either Party shall be brought in a court of competent jurisdiction in the United States Virgin Islands.

**25. ORDER OF PRECEDENCE:** In the event of any conflict or inconsistency between this Agreement and the attachments comprising the Contract, such conflict will be resolved according to the following order of precedence: (1) This Contract; (2) The Authority's Professional General Contract Terms and (3) Contractor's Quotation for Service.

**26. WAIVERS AND AMENDMENTS:** No waiver, modification, or amendment of any term, condition, or provision of this Contract shall be valid or of any force or effect unless made in writing, signed by the Parties or by their duly authorized representatives, and specifying with particularity the nature and extent of such waiver, modification, or amendment. Any such waiver, modification, or amendment in any instance or instances shall in no event be construed to be a general waiver, modification, or amendment of any of the terms, conditions, or provisions of this Contract, but the same shall be strictly limited and restricted to the extent and occasion specified in such signed writing or writings.

**27. NOTICE:** Any notice required to be given by the terms of this Contract shall be deemed to have been given when the same is sent by certified mail, postage prepaid, or personally delivered, addressed to the Parties as follows:

The Authority: Karl Knight  
Executive Director  
**V.I. Water & Power Authority**  
P.O. Box 1450  
St. Thomas, U.S. Virgin Islands 00804  
[karl.knight@viwapa.vi](mailto:karl.knight@viwapa.vi)  
(340) 774-3552

The Contractor: Samuel Caban  
President  
**Product Quality Management, LLC**  
1710 Preston Rd., Suite 160  
Pasadena, TX 77503  
[cmsolis@gmail.com](mailto:cmsolis@gmail.com)  
(954) 817-7236

**28. COUNTERPARTS:** This Agreement may be executed in two or more counterparts, each of which together shall be deemed an original and the same instrument, but all of which together shall constitute one and the same instrument. In the

event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

**29. SURVIVAL:** The following sections of this Contract will survive the termination or expiration of this Contract and will remain in effect until fulfilled:

- Clause 2: Consideration
- Clause 8: Indemnification
- Clause 20: Contract Documents
- Clause 24: Governing Law

**30. SEVERABILITY CLAUSE:** Should any provision of this Contract be determined to be void, invalid, unenforceable or illegal for whatever reason, such provision(s) shall be null and void; provided, however, that the remaining provisions of this Agreement shall be unaffected thereby and shall continue to be valid and enforceable.

**31. ENTIRE AGREEMENT:** This Contract and the Contract Documents constitute the entire agreement of the Parties hereto, and all prior understandings or communications, written or oral, with respect to the subject matter of this Contract are merged herein.

**SIGNATURE PAGE TO FOLLOW**

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Agreement on  
the day, month and year first above-written.

PRODUCT QUALITY MANAGEMENT, LLC

Teresa Valentin

WITNESS

Samuel Caban

November 08, 2024

SAMUEL CABAN  
President

Date

V.I. WATER & POWER AUTHORITY

Claudia Charles

WITNESS

Karl Knight

11/22/2024

KARL KNIGHT  
Executive Director

Date

APPROVED AS TO LEGAL SUFFICIENCY:

Patricia Quinland

PATRICIA QUINLAND  
Assistant General Counsel

Attachments