

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

**CONTRACT BETWEEN THE VIRGIN ISLANDS WATER AND POWER AUTHORITY
AND CMTS USVI, LLC**

Contract No. SC-18-26

The within Contract is a properly negotiated agreement between all Parties involved. Any marks, changes, whiteout, or deletions without the expressed written permission from all Parties involved shall make this contract null and void.

This Contract (hereinafter the “Contract”) entered into this 24 day of October, 2025 by and between **CMTS USVI, LLC**, located at No. 89 Estate Peter’s Rest Unit 1, Christiansted, St. Croix USVI 00820 (hereinafter referred to as “Contractor”) and the **V.I. WATER AND POWER AUTHORITY**, located at P.O. Box 5018, Kingshill, St. Croix, V.I. 00851 (hereinafter referred to as the “Authority”) to design the conceptual layout, development of construction drawings, bid documents, quality assurance and quality control periodic inspections during construction of the Authority’s offices located at Four Winds Plaza, 4392 Anna’s Retreat (Unit #25 and half of Unit #24), St. Thomas U.S. Virgin Islands. The Authority and Contractor shall hereinafter be jointly referred to as the “Parties”.

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 Contractor shall design the conceptual layout for the “Authority’s” offices located at Four Winds Plaza, 4392 Anna’s Retreat (Unit #25 and half of Unit #24), St. Thomas U.S. Virgin Islands. The Work shall conform to the Authority’s

Professional General Contract Terms, attached hereto as Appendix “A”, the Contractor’s Scope of Work, attached hereto as Exhibit “I” and the following services including, but not limited to:

- a. Design Development and Conceptual Floor Plans
- b. Development of Construction Drawings and Bid Documents
- c. Final Design
 - i. Final Review
 - ii. WAPA shall review for completeness
 - iii. Final Output
 - iv. Final Submission
- d. Permitting
- e. QA/QC Periodic Inspections

2. **CONSIDERATION:** In consideration of the Contractor's performance of the Work, the Authority shall pay to Contractor an amount not to exceed **Two Hundred Fifty Thousand Dollars and 00/100 (\$250,000.00)**. Actual out-of-pocket costs incurred while executing the Work shall be billed separately, however, the total Consideration is inclusive of all fees, costs, expenses, and any reimbursements associated with the performance of services under this Agreement. No additional amounts shall be payable beyond this Not to Exceed cap for any reason, including but not limited to travel, administrative, or incidental expenses, unless otherwise expressly authorized in writing by the Authority in advance. This Contract is a requirements contract under which Contractor agrees, subject to the terms of this Contract, to provide the Work as and when required by the Authority. The Authority shall purchase and pay only for the Work actually requested and completed, with no obligation to remit the full approved contract value. The Contractor shall charge the Authority for the Work in accordance with the Payment Schedule as indicated in Section 4 of this Contract.

The Consideration herein shall be for all Work performed by the Contractor pursuant to this Contract. Payment of any taxes, duties, customs, excise, or other fees shall be the sole responsibility of the Contractor. Unless otherwise authorized by law, the Authority shall not be responsible in any way for any taxes, customs, duties, excise, or other fees.

3. **TERMS:** This Contract shall take effect upon full execution (“Effective Date”). Once the Work has commenced based on the dates included in the Notice to Proceed, the Work shall not surpass the effective termination date of the contract, which is ninety (90) days from the effective date.

4. **TERMS OF PAYMENT:** All invoices shall be submitted electronically to the Project Manager, with a copy to Accounts Payable at accountspayable@viwapa.vi. Invoicing shall be submitted monthly for work completed that month. 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:

CONTRACTOR’S MILESTONE SCHEDULE

A. (30% Design Complete)	
Information Gathering & Conceptual Floor Plan	\$ 50,000.00
B. (60% Design Complete)	
Development of Construction Drawings	\$100,000.00
C. (100% Design Complete)	
Final Construction Drawings & Bid Documents	<u>\$100,000.00</u>

TOTAL CONSIDERATION \$ 250,000.00

***Note: A ten percent (10%) retainage shall be withheld from each invoice Payment and shall be released to the Contractor upon final acceptance of the Work.**

5. **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 the sum of **Twelve Thousand Five Hundred Dollars and 00/100 (\$12,500.00)** 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.

6. **BUSINESS LICENSE:** The Contractor and, if applicable, any of its subcontractors must comply with all U.S. Virgin Islands laws with respect to licensing which must be obtained in connection with its business operation(s). The Contractor and all subcontractors hired in connection with the Work shall obtain all necessary and applicable business license(s) and present copies to the Authority at the time of contract execution. Failure to present copies of license(s) shall be grounds to consider the Contract as void or the Authority may terminate this agreement if the Contractor is provided additional time to secure its license and fails to do so in a timely manner.

7. **LIQUIDATED DAMAGES:** The Authority may assess liquidated damages solely for Contractor's delay in performing the Work. For each day that performance of the Work extends beyond the specified completion date, for any cause other than excusable causes as defined in Clause 10 of the Authority's attached Professional General Contract Terms, the Contractor shall be liable to the Authority and shall be assessed liquidated damages in the amount of **One**

Thousand Dollars and 00/100 (\$1,000.00) a day subject to a maximum of liquidated damages not to exceed **Fifteen Percent (15%)** of the total consideration stated herein. Liquidated damages shall, at the Authority's discretion, be the sole remedy for delay damages.

8. **INDEMNIFICATION:** The Authority is entitled to indemnification in accordance with Section 15 of the Authority's Professional General Contract Terms, dated March 14, 2019, which is attached hereto and fully incorporated by reference herein as Appendix "A." If the Contractor fails, after notice and reasonable opportunity, to assume the defense of any 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.

9. **INSURANCE:** The Contractor shall, at its expense, before any Work is commenced, cause to be issued and maintained throughout the duration of the Term, insurance as described in the Authority's Professional General Contract Terms, dated March 14, 2019. A copy of the insurance certificate must be presented to the Authority's Contracting Officer at Contract execution.

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

Project Manager
Anthony D. Thomas
Chief Administration Officer
Virgin Islands Water and Power Authority
P.O. Box 1450
St. Thomas, U.S. Virgin Islands 00804-1450
anthony.thomas@viwapa.vi
(340) 513-7279

The Contractor designates the following individual in the following capacity:

Project Manager

Laurence J. Richards, PE, MSc,

President

CMTS USVI, LLC

No.89 Estate Peter's Rest Unit 1

Christiansted, St. Croix USVI 00820

lrichards@cmtslle.com

Office: 340-626-2218 / Cel. 340-514-8499

11. **CHANGE ORDERS:** All change orders or requests for additional services, must be approved in writing by the Authority's Contracting Officer. In the absence of such written approval, Contractor shall be liable for any changes in the Work not in conformance with this Contract.

12. **RELIANCE:** The Contractor's representations of its ability to perform the Work with skilled and competent personnel area 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 the submitted documents attached hereto as Exhibit "I".

13. **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. Notwithstanding anything to the contrary, Contractor is and will remain the exclusive owner of all of Contractor's proprietary software and intellectual property owned by or licensed to Contractor prior to the Effective Date or created or developed outside the scope of this Contract, including all additions, enhancements, and derivatives thereto.

14. **FORCE MAJEURE:** Notwithstanding anything to the contrary contained herein, the Contractor shall not be liable for delays or failures in performance caused solely by events beyond its reasonable control, including but not limited to acts of God, war, civil unrest, pandemics, or terroristic acts, provided that such events directly and demonstrably prevent the Contractor's performance under this Agreement.

The Contractor shall provide written notice to the Authority within five (5) business days of the occurrence of any event it believes constitutes Force Majeure. This notice must include a detailed description of the event, its anticipated impact on performance, and the expected duration of the delay.

The Contractor shall use commercially reasonable efforts to mitigate the effects of the Force Majeure event and resume performance as soon as practicable. If the Force Majeure event continues for more than thirty (30) consecutive calendar days, the Authority may, at its sole discretion, terminate or suspend the Agreement without penalty.

The Contractor's financial obligations, including payment of retainage or penalties for prior non-performance, shall not be excused by Force Majeure unless explicitly agreed to in writing by the Authority.

15. **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.

16. **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.

17. **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.

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

19. **INDEPENDENT CONTRACTOR:** The Contractor shall perform this Contract as an independent contractor, and nothing herein contained shall be construed to be inconsistent with this relationship or status.

20. **ASSIGNMENT:** The Contractor shall not subcontract or assign any part of the services under this Contract without the prior written consent of the Authority.

21. **CONTRACT DOCUMENTS:** The Contractor shall complete Work to be performed in accordance with the Contract documents. The Contract documents include:

1. The Authority's Professional General Contract Terms and Insurance Requirements dated March 14, 2019, attached hereto and incorporated by reference herein as Appendix "A";
2. The Contractor's Proposal dated September 19, 2025, attached hereto and incorporated by reference herein as Exhibit "I".

In the event of any inconsistencies between the written agreements comprising the Contract, the matter will be resolved according to the following descending order of precedence: (1) This Contract; (2) the Authority's Professional General Contract Terms attached as Appendix "A"; and (3) the Contractor's Proposal dated September 19, 2025 attached as Exhibit "I". This Contract and Contract documents constitute the entire agreement between the Parties hereto, and all prior understandings or communication, written or oral, with respect to the subject matter of this Contract are merged herein.

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

23. **CONFLICT OF INTEREST:** The Contractor warrants and represents that it has no interest and will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its obligations under the Contract. If any such actual or potential conflict of interest arises under this Contract, the Contractor shall immediately inform the Authority in writing of such conflict. If, in the reasonable judgment of the Authority, such conflict poses a material conflict to and with the performance of Contractor's obligations under this Contract then the Authority may terminate the Contract immediately upon written notice to Contractor; such termination of the Contract shall be effective upon the receipt of such notice by the Contractor.

24. **EMPLOYMENT OF U.S. VIRGIN ISLANDS RESIDENTS:** The Contractor shall comply with 24 V.I.C. § 126 which requires the following preference for resident workers (i.e. any person capable of performing services or labor and who is a citizen of the United States or an immigrant alien admitted to the United States for permanent residence under the provision of the Immigration and Nationality Act as amended):

Resident workers shall be given preference in employment in the Virgin Islands in any industry or occupation for which such workers are qualified and available. Nonresident workers shall be employed only to supplement the labor force of available and qualified workers. No resident workers shall suffer any reduction in workweek below 40 hours a week by reason of an employer employing a non-resident worker. No employer shall employ a non-resident worker except in strict accordance with the provisions of this chapter and regulations hereunder. Nothing contained herein shall be construed to interfere with the policy of the Employment Services in canvassing of affiliated state employment services to obtain workers before issuing clearance certification for alien workers.

The Contractor shall comply with requirements of 31 V.I.C. §§ 271 and 272 and Title 24, Chapter 6 (Protection of Resident Workers) and hire Virgin Islands Residents and Resident Workers for work in connection with this Contract. The Contractor shall also ensure that its subcontractor(s) comply with the legal requirement to hire Virgin Islands residents and Resident Workers in connection with this project and shall require such in their contract(s) with their subcontractor(s). Upon request of the Authority, the Contractor shall provide a report and/or information regarding its compliance, and its subcontractor's compliance, with the requirement to hire Virgin Islands Residents and Resident Workers. Before any vacancies are filled with an individual that is not a resident of the Virgin Islands, the Contractor and its subcontractor(s) shall notify the Employment Security Agency of the Virgin Islands Department of Labor in accordance with the requirements of 31 V.I.C. § 272 and 27 V.I.C. §303b.

25. **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, national origin, or disability.

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 00804-1450 Karl.knight@viwapa.vi
With Copy To:	Office of the General Counsel V.I. Water and Power Authority P.O. Box 1450 St. Thomas, US Virgin Islands 00804 legaldepartment@viwapa.vi
Contractor:	Laurence J. Richards, PE, MSC, MBA President CMTS USVI, LLC 89 Estate Peter's Rest Unit 1 Christiansted, VI 00820 lrichards@cmtsllc.com

28. **COUNTERPARTS:** This Contract 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. **GOVERNING LAW:** The laws of the U. S. Virgin Islands shall govern this Contract. The Parties agree that all causes of action against either Party shall be brought in the court of competent jurisdiction in the Virgin Islands. The Authority shall not invoked the defense of sovereign immunity in any litigation arising under the Contract.

30. **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 agrees 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.

31. **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 21: Contract Documents
- Clause 29: Governing Law

32. **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.


33. **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 Contract on the day, month and year first above written.

CMTS USVI, LLC


WITNESS


Yvonne McClain Date 10/14/2025
Chief Operating Officer

V.I. WATER & POWER AUTHORITY:


WITNESS

 10/24/2025
KARL KNIGHT Date
Executive Director

APPROVED AS TO LEGAL SUFFICIENCY:

 10/06/2025
DIONNE G. SINCLAIR Date
General Counsel

Attachments