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Renaissance Group awarded \$28.7 million

By DANIEL SHEA
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ST. CROIX — A jury awarded St. Croix Renaissance Group more than \$28.7 million in damages Thursday in U.S. District Court, finding that St. Croix Alumina failed to disclose toxic “red mud” on the property it sold in 2002, court files show.

The massive judgement dates back to 2004, when the case first was filed — the same year the V.I. Department of Planning and Natural Resources filed a suit against a number of former aluminum manufacturers for environmental damages caused by the red mud — a toxic by-product of turning bauxite ore into alumina.

One of those manufacturers was St. Croix Alumina, which is a subsidiary of Alcoa Inc., the worldwide aluminum company.

The trial spanned 10 days before District Judge Harvey Bartle III.

St. Croix attorneys Joel Holt and Carl Hartmann III represented Renaissance.

St. Croix Alumina was ordered to pay St. Croix Renaissance Group



Daily News file photo by CRISTIAN SIMESCU

The St. Croix Renaissance Group won a jury award of more than \$28.7 million in a case against St. Croix Alumina over the presence of “red mud,” a by-product of alumina production, at St. Croix Renaissance Park.

\$12,617,867 for a breach of warranty and fraud, another \$6,142,856 for punitive damages and an additional \$10 million for negligence. The total amount awarded is \$28,742,723.

The case concerns a 1,400-acre property now owned by the St. Croix

Renaissance Park. It went from comprising commercial plantations in the 18th century to becoming the center of a manufacturing hub in 1962, when Harvey Aluminum Corp. began developing the property to begin manufacturing aluminum, according

to the St. Croix Renaissance Group’s Web site. During the next 40 years, a number of aluminum-manufacturing companies took over the site, the last company to do so being St. Croix Alumina.

St. Croix Renaissance Group pur-

chased the property in 2002. It dismantled the processing units with the intention of rehabilitating the site for industrial use.

Currently, Diageo’s site is on part of the St. Croix Renaissance Group’s property.

The civil complaint claims St. Croix Alumina failed to disclose the prior releases of red mud from 1992 through just before the purchase in 2002, as was stipulated in a warranty on the purchasing contract. The complaint also asserts that St. Croix Alumina fraudulently covered up the releases and tried to avoid oversight by DPNR.

After St. Croix Renaissance Group found evidence of a “red mud event” in April 2002, before the contract was signed, St. Croix Alumina officials told the prospective purchasers that it was a “one time” incident knowing that to be false, the complaint said.

St. Croix Renaissance Group claimed that such cover-ups took place throughout the discovery process while they reviewed the purchase of the property.