



Any reply or subsequent reference to this communication should be addressed to the Contractor-General and the following reference quoted:-

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MEDIA RELEASE

OCG to Commence Formal Investigation into NWA CDF Contracts Awarded to Contractors Allegedly Selected by one “Derrick Kellier”

Kingston; August 14, 2012 – The Office of the Contractor General (OCG) will commence a formal Investigation into the circumstances which surround the award of Constituency Development Fund (CDF) Government contracts, by the National Works Agency (NWA), to contractors that were allegedly selected by “Derrick Kellier, MP”, one of which is a company that is owned by his brother.

Based upon official NWA documents that are currently within the possession of the OCG, and which were sequestered during a recent OCG visit to the NWA’s St. James Parish Office, at least one of the alleged contracts, in the sum of \$270,000, was awarded in December 2010 by the NWA, upon the specific written instructions of one “Derrick Kellier, CD, MP, South St. James”, to “M & K Heavy Equipment Hireage Co. Ltd.”

M & K Heavy Equipment Hireage Co. Ltd. is listed by the Registrar of Companies as a company that is 80% owned and controlled by one “Martin Kellier”. A Martin Kellier presently sits as the Peoples National Party (PNP) Councilor for the Welcome Hall Division of the St. James Southern Constituency. The Constituency is represented by Mr. Martin Kellier’s brother, the Hon. Derrick Kellier, who is a PNP Member of Parliament and the Minister of Labour and Social Security.

In answer to questions that were posed by the OCG, personnel at the NWA’s St. James Parish Office have also alleged that ‘Contractors were selected by the Member of Parliament who had provided the names of the Contractors on the Work Programme which was sent to the implementing agency’.

The OCG’s preliminary enquiry into the matter was triggered by a written complaint and allegation that was received by the OCG, via email, on July 20, 2012, from a “Concerned Citizen”. The complaint alleged, verbatim, in part, as follows:

“I’m a young man living in the Welcome Hall division in Springfield St. James and I’ve noticed something that I think is worth looking into by the office of the contractor general. The councilor for this division is Martin Kellier and his brother, Derrick Kellier, is the MP for this constituency. Now to my knowledge, correct me if I’m wrong, a councilor should not do any government contract in his division however; there’s a contract that has been given out by the MP, Derrick Kellier, and from what I’ve seen, heard and noticed its his brother, Martin Kellier that’s doing it. I



think they may be smart enough not to put it in Martin Kellier's name but I think if an intelligent investigation is done it can be proven that he's the one doing it.”

The OCG is also in possession of other official NWA documents which establish that another CDF Government contract, in the sum of \$840,000, was awarded in November 2011, by the NWA, to the said M & K Heavy Equipment Hireage Co. Ltd., for the execution of certain specified works, at certain specified locations.

The specified works and locations match exactly the works specifications that one “Derrick F. Kellier” had previously communicated to the NWA, in writing, as works that he wanted the NWA to execute. One of the referenced internal NWA written communications states, *inter alia*, as follows:

“Mr. Derrick Kellier Member of Parliament for South St. James had requested that Eight Hundred and Forty Thousand Dollars (\$840,000.00) Dollars from his \$3M Constituency Development Fund allocated to his constituency should be used to carry out patching works on the Anchovy-Mt. Horeb, Duketts-Welcome (Jointer PC Road) and Fairfield-Point (Cottage Road). Consequently, I am hereby seeking your approval for this project to be declared as emergency works in light of the immediate danger to motorists, residents and property.”

Additionally, the OCG has seen an NWA document that is entitled “Independence Work Programme for South St. James – July 22, 2012 – Member of Parliament: Hon. Derrick Kellier, CD”. The document details the particulars of what appears to be contracts which were to be awarded to twenty-two (22) named contractors, inclusive of a “Mr. Martin Kellier”. The referenced award for Mr. Kellier refers to works in the “Anchovy to Mt. Horeb to Welcome Hall” area, in the sum of “\$200,000”.

The OCG’s Investigation will seek to address the following questions, among others:

- (a) The particulars of the contracts that have been subjected to the alleged arrangement;
- (b) Whether the prescribed Government of Jamaica Procurement Procedures and CDF Guidelines were complied with in the award of the referenced contracts?
- (c) Whether the contracts were awarded in compliance with the standards that are prescribed by Section 4 (1) (a) of the Contractor General Act, that is to say whether they were awarded impartially and on merit, and in circumstances that did not involve impropriety or irregularity?
- (d) Whether any other laws or regulations were contravened having regard to the alleged circumstances which surround the award of the contracts?

Upon the completion of its Investigation, the OCG will submit a formal Report of its Findings to the Parliament of Jamaica. The OCG has issued this Media Release pursuant to the discretionary powers that are invested in it by Section 24 (1) (b) of the Contractor General Act.

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