



THE VIRGIN ISLANDS WATER & POWER AUTHORITY
CORPORATE COMMUNICATIONS
NEWS RELEASE

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WAPA GOVERNING BOARD APPROVES SEVERAL MEASURES AT APRIL MEETING

The Virgin Islands Water and Power Authority's Governing Board met today and acted on several matters pertaining to the operation of the Authority. The Governing Board voted to approve each measure on the agenda as follows:

- Messer Gas Contract SC-15-16 & SC-36-17 - Vendor Name Change & Increased Equipment Rental Cost

The Governing Board approved permit amendments to SC-15-16 & SC-36-17 to properly reflect an agreement with General Gases of the V.I., now doing business as Messer Gas and to approve the rental cost increase from \$1,500.00 per/month to \$2,100.00 per/month on both contracts.

- General Liability Insurance

The Governing Board approved the increase in insurance based upon current market trends and the limited availability of insurers in the excess premium has increased from last year's rate of \$315,000.00 to \$345,093.75 (an increase of 30,093.74). It also authorized the Executive Director to renew the policy via Theodore Tunick and Company for a period of 1 year. This will provide the Authority with continued Excess Liability Insurance coverage beginning May 2022 to April 2023 at an increased cost of \$30,093.74.

- Aggreko - 13-week Extension

The Governing Board authorized CEO/Executive Director Andrew L. Smith to contract with Aggreko LLC for a 13-week extension to the existing lease agreement at the same terms and conditions as included in the existing lease agreement. The Water and Power Authority relies on the generating capacity leased from Aggreko as part of its fleet of generating capacity on St. Croix, and the generation capacity leased from Aggreko is currently the Water and Power Authority's most efficient fossil-fired generating capacity on St. Croix. The Water and Power Authority expects to use the 13-week extension of the existing contract to determine the optimal structure for continued use of the existing Aggreko units.

- Provisional Extension of the Banco Popular LOCS and Standby LOC (RUS)

The Governing Board approved a provisional extension of the maturity dates of the Authority's Banco Popular Lines of Credit and Standby Credit Facility (RUS) until July 31, 2022. The provisional extension of the maturity date of the Authority's Banco Popular Lines of Credit and Standby Credit Facility (RUS) (collectively, the "Banco Popular Lines of Credit") will permit each of the corresponding Notes securing each facility to remain outstanding while each Bank is formalizing terms for longer extensions.

- Provisional Extension of the maturity First Bank Lines of Credit and Overdraft Facility

The Governing Board approved a provisional extension of the maturity dates of the Authority's First Bank Lines of Credit and Overdraft Facility to July 31, 2022 and October 31, 2022, respectively. The provisional extension of the maturity date of the Authority's First Bank Lines of Credit (collectively, the "First Bank Lines of Credit") will permit each of the corresponding Notes securing each facility to remain outstanding while the Bank is formalizing terms for longer extensions.

- Revised Banking Resolutions

The Governing Board approved that the Executive Director, Chief Financial Officer, Chief Operating Officer-Electric Division, Chief Operating Officer-Water Division, Chief Administrative Officer or officials acting in those positions or serving as the Special Assistant to the Chief Financial Officer and Joan Foy, Director of Pricing and Rates, are authorization to sign checks drawn on all of the Authority's accounts at First Bank Puerto Rico, Banco Popular de Puerto Rico, Bank of St. Croix and Oriental Bank Puerto Rico, provided that all checks in the amount of \$10,000.00 or more be signed by no less than two of these officials.

- Amend Contract SC-31-21 for Comprehensive Security

The Governing Board authorized the Executive Director to increase contract SC-31-21 with Comprehensive Security for security guard coverage of WAPA's phase 2 LG engines facilities and staging sites with an increased contract amount of \$209,088.00 which brings new contract to an amount not to exceed \$2,366,568.00.

The contract between Wartsila and WAPA (SC-33-20) specifies that it is WAPA's responsibility to provide a secure laydown area for the storage of materials/equipment to be used for the installation of the RICE units and BESS systems. WAPA originally made arrangements with (P&P) Property and Procurement to utilize the Addelita Cancryn Junior High School parking lot as a laydown area. Since then, the property has changed ownership, now being managed by (VIPA) Virgin Islands Port Authority. Both Section 5.1 and Appendix 2A, Section H3 of the Wartsila contract (SC-33-20) indicate that security of Wartsila supplied equipment is WAPA's responsibility. As such, the Authority must provide security at the site to ensure that the project materials are not compromised or stolen

- Comprehensive Succession Planning Program Development

The Governing Board approved an amendment to the existing contract with Baker Tilly for a Comprehensive Personnel Review which is grant funded by the Office of Insular Affairs' Energizing Insular Communities (EIC). The amendment, in the amount of \$ 175,000 increased the original contract for a total cost of \$374,500. The amendment to the contract increased the scope of the Baker Tilly project to include the development of a comprehensive organizational succession plan that addresses workforce vulnerabilities such as aging workforce, turnover, and a competitive job market and will define clear career paths and development plans for high potential employees within the organization

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About WAPA: The Virgin Islands Water and Power Authority is an autonomous agency of the Virgin Islands Government which produces and distributes electricity and drinking water to residential and commercial customers in the territory. WAPA was created by the Fifth Legislature of the Virgin Islands in 1964 through Act No. 1248. Today, WAPA generates electrical power at production plants on St. Thomas and St. Croix and distributes electrical service through smart grids to customers on St. Thomas, St. Croix, St. John, Hassel Island, and Water Island. Potable water is distributed to almost 13,000 customers through water lines and standpipes. WAPA also has the responsibility of installing and maintaining streetlights.

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