



THE VIRGIN ISLANDS WATER & POWER AUTHORITY
CORPORATE COMMUNICATIONS
NEWS RELEASE

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WAPA GOVERNING BOARD APPROVES FIVE MEASURES AT MAY 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:

- Donald C. Francois 34.5kV and 13.8kV Gas Insulated Replacement Project

The Governing Board approved a contract with ABB Inc. for the Donald Francois 34.5kV and 13.8kV Gas Insulated Replacement Project in the amount of \$10,198,080.00. The project is a FEMA-funded Hazard Mitigation Project to replace the hurricane damaged 34.5kV and 13.8kV Air Insulated Switchgear with Gas Insulated Switchgear. The completion of this project will improve reliability and system redundancy of electricity supply and lead to a better and more robust electrical system.

- Change Order #1 Randolph Harley Power Plant Expansion Project Demolition of Tank#10

The Governing Board approved the Change Order #1 to grant additional time of 47 calendar days to allow contractor time to perform remediation of contaminated soil. The Authority anticipated the potential discovery of contaminated soil given that the old Tank #10 was used to store No.2 Diesel Fuel. The contract dictates that if contaminated soil is encountered then the contractor is required to excavate and remove such contaminated soil and conduct tests on the soil to determine the level of contaminants in compliance with DPNR requirements.

- Authorization to enter a contract with BDO USA LLP to audit the Fiscal Years 2021 and 2022 financial statements of the Electric and Water Systems of the Authority

The Governing Board authorized the Authority to contract with BDO USA LLP to audit the Fiscal Years 2021 and 2022 financial statements of the Authority's Electric and Water Systems at the cost of \$360,000 per year plus out of pocket expenses. The Authority is required to have an independent entity audit the financial statements of the Authority's Electric and Water Systems

annually to be in compliance with financial reporting requirements. The Authority issued PR-13-22 for external audit services. PR-13-22 was undertaken in accordance with the Authority's competitive procurement process as outlined under Section II C (b) and yielded one respondent: BDO USA LLP.

- **Randolph Harley Power Plant Expansion Project Demolition of IDE Foundation**

The Governing Board approved Addendum #2 for SC-08-22 with On-Site Environmental to increase the contract cost by an additional \$97,706.25 to cover the increased volume of demolished concrete.

Additional funds of \$97,706.25 were needed to complete the demolition of concrete on the old IDE foundation at the Randolph Harley Power Plant. An additional volume of 965 cubic yards (1,954 tons) of concrete was demolished which exceeds the 583 cubic yards estimated in the contract. It was anticipated that the volume of demolished concrete was likely to exceed the estimated contract volume since complete drawings for the old IDE unit were not available and therefore provisions for this were made in a rider to the original contract. The rider specified that should the contractor exceed the estimated contract volume for demolished concrete they would be compensated at a fixed rate of \$50.00 per ton for the excess volume. The contractor has provided supporting documentation to substantiate the excess quantities and as such VIWAPA is responsible for awarding the contractor an adjustment in cost to recapture the additional expenses.

- **The purchase of eight Tesla Model Y electric vehicles from Tesla Inc**

The Governing Board authorized the Executive Director to purchase eight Tesla Model Y Long Range Dual Motor All-Wheel Drive Electric Vehicles from Tesla Inc in the amount of \$507,520.00

The Virgin Islands Water & Power Authority was successful in attaining grant funding under the Department of Interior Office of Insular Affairs Energizing Insular Communities grant which will provide the Authority the opportunity to begin hybridizing and electrifying the utility fleet. The Authority currently owns and operates a large fleet of vehicles that supports the activities surrounding the maintenance of the transmission and distribution systems. The new Tesla Model Ys are lower cost to operate for the Authority and the grant funding results in the Authority not having to purchase vehicles and recover the cost of the vehicles through its rates.

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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.