

## WAPA Board Approves Absorbing Cost of Health Insurance Renewal at no Additional Costs to Employees

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The governing board of the Virgin Islands Water and Power Authority on Thursday approved the 2020 medical and dental health insurance contract with Cigna at an annual cost of \$5.9 million. In light of a significant hike in the cost of family coverage, the board approved an additional \$111,000 to allow the authority to absorb the impact of the increased cost of family coverage on employees. WAPA said it pays 100 percent of health insurance costs for its employees, however, employees assume the cost of family coverage. The new contract takes effect on January 1.

The Consortium had contacted the authority to ask about the increase after a WAPA employee reached out to us. Jean Greaux, WAPA communications chief, said the authority would take up the matter at its next board meeting, which occurred Thursday. The authority also received

pressure from Senator Kenneth Gittens.

Mr. Greaux noted that although the governing board voted to provide additional funding to offset the increased cost of medical and dental insurance to those employees who subscribe to the family package, the offset is subject to approval by unions representing WAPA employees. The union must ratify the offset for it to take effect as the current insurance cost structure is contractual to the collective bargaining agreements. A meeting with the unions is scheduled for this week.

“I’m reaching out to these officials in hopes of getting some relief for the employees. While WAPA pays 100 percent of their employee contribution for insurance, the employees are responsible for paying their dependent’s share of the premium, which is double what central government employees pay for their coverage,” Mr. Gittens said. “This is unconscionable, and we certainly do not want to create a situation where employees have to leave their families without insurance coverage because they just can’t afford the cost.”

The governing board went on to approve several items aimed at enhancing generation stability at the two power plants, and ensuring that permanent work on the electric grid continues.

The board approved:

- 1) No cost contract extension to RG Engineering for its ongoing work on generating Unit 17. The contractor is carrying out repairs on the unit which once back in service, will provide additional and standby generation capacity for the Estate Richmond Power Plant. Originally, the contract was to end in November, but shipping logistics for repaired components made it necessary to extend the contract to February 2020.
- 2) Purchase orders with Doosan Turbomachinery Services for replacement parts on Unit 17, and to provide inspection services of the unit once repairs are completed.
- 4) Time extension of an engineering services contract for fire protection system upgrades at the Randolph Harley Power Plant. The no-cost extension is required to facilitate a previously authorized payment to the vendor.

An amendment to existing contracts with Haugland Energy and BBC Electric to insert omitted language on previously approved contracts. The contracts relate to the company’s ongoing grid hardening projects territory-wide.

- 5) Modifications to an existing composite pole contract to include installations of 60 and 65-foot poles. Without the modification, WAPA cannot use federal funds to pay for the installation of the omitted pole lengths.

The board also approved a Water Leak Adjustment Policy that updates existing established practices for adjusting customer accounts where the customer has experienced a water leak that results in increased billing. The adopted policy ensures a uniform process to address adjustment claims.

The board awarded security guard contracts to Comprehensive Security Concepts in the St. Thomas St. John district and Intelligent Security on St. Croix. The contracts run for a 12-month period, each beginning on December 1, 2019. Should either company decline the contract, the Authority will make an award to the next lowest bidder.

In his report to the board, Executive Director Lawrence J. Kupfer advised that there has been an increase in electrical demand in the territory over the last few months. However, both districts demand remains below pre-storm levels. Mr. Kupfer told board members that the volume of LPG fuel being used to generate electricity is below target due to ongoing mechanical issues with two WAPA-owned generators. He also addressed ongoing issues with Unit 26 on St. Thomas which has been at the center of some district-wide service interruptions earlier this month.

“Until APR Energy can resolve the issues with the unit, we are doing our utmost to avoid including Unit 26 in the dispatch,” he said. Mr. Kupfer reported no unusual developments with the potable water systems.

Board members in attendance included Vice Chairman Noel Loftus, Secretary Juanita Young, Elizabeth Armstrong, Cheryl Boynes Jackson, Director Kyle Fleming, and Hubert Turnbull. Chairman Anthony D. Thomas and Director Joel Lee were excused.

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