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From Schools to Hospitals, ODR Outlines Progress on Major Projects as FEMA Praise Collide With 2035 Deadline to Spend \$23.9 Billion

The ODR has spent just 16% of the \$23.9 billion in obligated funds as it advances major construction across the Virgin Islands, while earning FEMA recognition and urging lawmakers to increase financial flexibility ahead of the 2035 deadline.

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The Arthur A. Richards PreK-8 School under construction at the former Evelyn M. Williams Elementary School site in Mount Pleasant West, St. Croix. By. ERNICE GILBERT, V.I. CONSORTIUM.

The V.I. Office of Disaster Recovery continues its race to expend billions in federal disaster dollars ahead of the looming 2035 deadline. On Thursday, ODR's leadership appeared before the Committee on Disaster Recovery, Planning, and Infrastructure to apprise lawmakers of progress made to date.

"Now that we have access to the majority of the funding and a resolution for the match, we have been laser-focused on moving our critical projects through solicitation and into construction," testified ODR Director Adrienne Williams-Octalien. With only a decade before the deadline mandated by the Federal Emergency Management Agency, "it is imperative that we accelerate the pace of recovery and increase the rate of expenditure," she cautioned.

Managing \$23 billion in recovery efforts is "no small feat," Ms. Williams-Octalien acknowledged. Since ODR last updated the Committee in February, inroads have been made on several project bundles. In that month, the Super Project Management Office [executed a contract](#) with Suffolk CBNA Joint Venture for the St. Thomas education bundle. It includes several schools, including the Ivanna Eudora Kean High School. Now, "Designs are 20% complete and expected to be complete in October of 2026," reported Ms. Williams-Octalien.

In April, Consigli/Benton Joint Venture 1 was [contracted to rebuild](#) the Donna M. Christiansen Medical Complex, expected to be completed in 2028. They are also in receipt of a contract for the St. John Mix Sector Bundle, which covers the rebuild of the Morris De Castro clinic, Myra Keating Smith Community Health Center, the Julian E. Sprauve Pre K-8 School." Procurement for the St. Thomas Health Bundle closed on April 28th, while ODR is now in the contracting phase for the St. Croix North Horizontal Bundle, the ODR director advised.

Consigli/Benton Joint Venture 1 was also awarded a contract to demolish and reconstruct the St. Croix Central High School, while solicitations for a separate educational bundle in St. Croix is due on June 5th, lawmakers learned. Solicitations for a host of other bundles, including those covering the territory's main hospitals, which were previously unsuccessful, are due between June and July 2025. Roadwork, convenience centers, and Head Start facilities are all in various stages of the contracting or construction processes.

Headway has also been made on the [beleaguered Donoe Estates public housing project](#). According to Director Williams-Octalien, "the financial closing for the Donoe redevelopment project should occur today, which will allow for the restart of construction." The scope of the project remains unchanged: it is expected to cost "\$80.7 million in CDBG-DR funds, and \$44.3 million from other funding sources."

The news on Donoe thrilled Senator Carla Joseph. "We want to see that this is done and completed," she stated, citing the territory's "major housing crisis." "We can't just arbitrarily ask our people to return back and we don't have any place for them to lay their head in peace."

Despite the apparent wins and significant progress, ODR is still facing serious headwinds. "We are burdened by the increased construction costs due to tariffs, lack of competition and other market conditions," Ms. Williams-Octalien bemoaned. Still, she remains confident, buoyed by recent recognition from FEMA, which has granted ODR the Verify As You Go (VAYGo) Close Out Benefit "for maintaining an error rate of less than 1.5% for two consecutive testing cycles." This recognition "simplifies project close out for large projects," making it easier for ODR to move forward with expending the billions it needs to over the next 10 years.

“That makes me so happy because so many people criticize us and think we do everything wrong,” remarked Senator Hubert Frederick.

Key to maintaining the momentum of recovery projects, however, is the ability to pay contractors and suppliers on schedule. “The ODR utilizes the line of credit of \$100 million dollars to support recovery projects and advance the recovery,” Ms. Williams-Octalien said. ODR has expended “\$156.2 million of the LOC to advance projects to various phases. A total of \$100.7 million has been repaid from federal investment, which leaves \$45.3 million of the \$100 million cap available.”

Senator Novelle Francis then informed lawmakers of his intention to amend the legislation establishing the line of credit, increasing it from \$100 million to \$200 million. It’s an increase that Ms. Williams-Octalien says “will be well utilized.”

Senator Dwayne DeGraff, however, expressed doubts. “Why would we need an extra 100 million if we aren't getting everything off that we want to get off?” He referred to the \$45 million balance in the line of credit. Senator Kurt Vialet countered. “It's federal reimbursement. It don't make a difference if we put it to \$300 million. We're going to get it back from the federal government.”

Thus far, the Office of Disaster Recovery has expended \$3.8 billion of the \$23.9 billion in recovery funds that have already been obligated, approximately 16%.