

The Virgin Islands Consortium

WAPA Board Approves Extension Of Fuel Supply Contract And Multiple Hurricane Restoration Related Items

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In a special meeting Thursday, the governing board of the Virgin Islands Water and Power Authority approved a twelve-month contract extension with the utility's current fuel oil supplier, Glencore Ltd, WAPA made known via release late Thursday.

Acting Executive Director Clinton Hedrington, Jr. explained that the current contract expires on December 31, and that WAPA had solicited bids for its annual contract but was unsuccessful in reaching agreement with a recommended bidder. "Hurricanes Irma and Maria impacted the Authority's ability to undertake a new solicitation process. The

contract extension maintains a long-term reliable supply of fuel oil for the two power plants. There twelve-month extension with an option for an additional six-month extension is based on the same terms and conditions of the existing agreement.”

In support of the ongoing restoration effort, the board authorized:

- An amendment to WAPA’s contract with Haugland Energy to allow for the mobilization of 100 additional line personnel and associated equipment. The mobilization began during the second week of December. The contract provides for a commitment for line personnel to remain on island through March 1, 2018.
- A contract extension was approved with Asplundh Tree Expert Company to trim or remove trees, brush and perform other forestry services, as well as right of way clearing, as determined by WAPA with the exception of chemical spraying. The services will be provided on all three islands through March 2018, at a cost of \$467,937.
- A cost and time increase to an existing contract with Vivot Equipment Corporation. Under terms of the contract, WAPA retains the company’s services to meet its needs in emergencies and provide labor, equipment, or materials when there are shortfalls. Until the restoration is completed, Vivot will be assisting the Authority with offloading barges of materials, equipment and manpower services at the Limetree Station area. The increase is capped at \$275,000 bringing the overall total of the contract to \$625,000.
- An increase in the contract cost with Intelligent Security, for an additional five months, at a cost of \$201,600. The increased cost stems from the need for the company to provide security guard services at the restoration staging sites on St. Croix. An increase totaling \$162,000 was approved on an existing contract with Comprehensive Security which is providing guard services at equipment staging areas in the St. Thomas - St. John District.
- A no-cost increase in a demolition contract for the removal of decommissioned water desalination units at both power plants. Additional time is required to complete the demolition of the four units due to delays caused by the hurricanes. With the approval, the contract end date is now January 31, 2018.

Several other items on the published agenda were removed after it was determined that the dollar value of those items fell within the levels of approval afforded the Executive Director / CEO.

Acting Director Hedrington acknowledged the pending retirement of Human Resources Director Denise Nibbs. She is retiring at the end of 2017 after 30-plus years of service to WAPA.

Board members in attendance included: Chairwoman Elizabeth Armstrong, Vice Chair Noel Loftus, Secretary Juanita Young, Commissioners Devin Carrington and Nelson Petty, Director Marvin Pickering, Cheryl Boynes-Jackson, Gerald T. Groner, Esq. and Hubert Turnbull.