The Virgin Islands Consortium

WAPA Board Approves Composite Poles Purchase And Contracts For Their Installation

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The Virgin Islands Water & Power Authority's plan to add new, more resilient, composite poles to the electric grid edged closer to reality Monday, WAPA announced today. The utility's governing board approved the purchase of more than 6,500 composite poles, and ratified contracts with two companies to install the newer type poles.

As part of a sweeping package of hazard mitigation projects aimed at hardening the transmission and distribution systems, WAPA intends to install the composite poles along critical feeder paths and on key transmission circuits. "The goal is to install the poles in heavily-populated areas. These poles can better withstand higher wind speeds when compared to traditional wooden poles. If our system fares better in major storms, we can restore electrical service to our residents and businesses in a more efficient manner," said Interim Executive Director Clinton Hedrington, Jr.

Meeting on St. Croix, the governing board approved contracts with BBC Electrical Service and Haugland Energy for the composite pole installations. WAPA plans to install approximately 2,800 poles on St. Croix, 2,200 on St. Thomas, 180 on Water Island, and 1,100 on St. John. BBC's contract for $63.1 million will facilitate the installation of poles on St. John, and on the eastern end of St. Thomas. At a cost of $97.5 million, Haugland Energy will perform composite pole installation and permanent work on St. Croix, Water Island, and on the western end of St. Thomas.

In other action, the governing board ratified the purchase of hurricane-related supplies and equipment from various vendors including:

- American Wire Group: $5 million
- Electric Supply of Tampa: $2.5 million
- Peco International Electric Company: $2.9 million
- Tantalus Systems Corporation: $304,805

All hurricane restoration expenses incurred by WAPA are fully reimbursable through the Federal Emergency Management Agency, FEMA. The board also approved the establishment of bank accounts for proceeds from the Community Disaster Loan and FEMA reimbursement grants. Approval was also granted for a final drawdown against a $75 million Community Disaster Loan. To date, WAPA has accessed $31 million and Monday's authorization allows for the remaining $44 million to be tapped.

An extension of a line of credit with Banco Popular was approved. The credit line, which runs through August 2019, is required to secure the rental of various generating units from APR Energy. WAPA's entering into agreement with Sustainable Capital Advisors to provide consulting services and assist the Authority in the overall development of capital planning, budgeting, and potential financing plans was approved.

A no-increase contract extension with Total Petroleum was also approved through the end of June 2018. The contract extension allows the Authority to receive fuel supply for its vehicle and equipment fleet until a new Request for Proposals is issued for the annual fuel supply contract.

The board authorized the executive director to issue, at his discretion, a one-time bonus to salaried management employees for work done during the hurricane restoration period. These employees are not eligible for overtime and cannot accrue compensatory time, but worked tirelessly, beyond expectations, making significant contributions and efforts during the restoration period.

The total sum of all bonuses is capped at $250,000. The board also approved increases in a debris removal contracts with Cutting Edge Construction and Advantage Landscaping and Trucking. The contract totals were each increased to $500,000.

All votes at Monday's meeting were unanimous.

The Executive Director's report recapped electrical restoration efforts in the territory, debris cleanup, the status of hazard mitigation project funding, restoration of automated metering infrastructure, permanent relocation of displaced staff, preparedness for the 2018 Atlantic Hurricane Season, and plans to upgrade potable water pump stations on St. Croix. It was also reported that efforts continue to resume the use of LPG at both power plants. While cash collections have improved since billing resumed in December, WAPA continues to be challenged by high accounts receivables from the territorial hospitals and streetlights. The combined hospitals debt stands at $23.4 million and streetlights at $8.6 million.

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