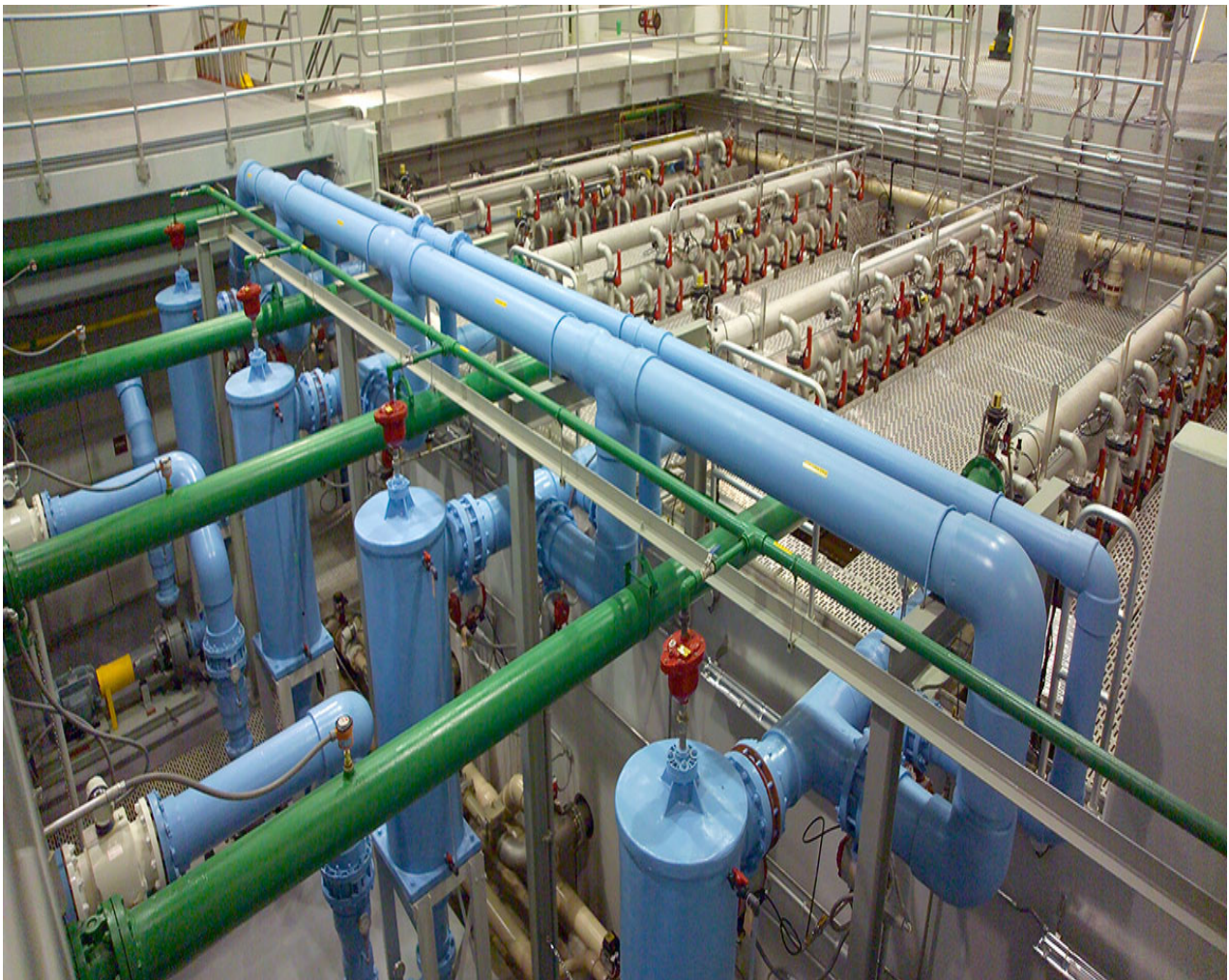


The Virgin Islands Consortium

Waste Management Has Made A Payment To Firm Responsible For Treating Territory's Wastewater Facilities

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ST. THOMAS -- The Waste Management Authority confirmed during a Senate hearing in the Committee on Public Works, Waste Management and Planning on Monday that it has made a payment to Veolia Water North America – Caribbean, LLC, the company that built and services the territory's wastewater treatment facilities, following a threat by Veolia, as [reported on by The Consortium](#), that it would halt treatment of the plants because the government had failed to pay funds owed to the company as required under the service contracts.

During the Monday hearing, W.M.A. Interim Director Tawana Albany Nicholas confirmed that a payment had been made, and that W.M.A. was in the process of coming into an agreement with the firm. "I can acknowledge that yes, we do have a large outstanding balance; we have made a recent payment to them. We are in communication with them to try and come up with a payment plan," Ms. Nicholas said in response to a question posed by Senator Janelle Sarauw. Ms. Nicholas said she could not go into details, but that a plan was afoot to pay Veolia.

She also confirmed that Veolia would continue servicing the territory's wastewater facilities.

In a letter dated March 12, Veolia said the G.V.I., under the Mapp administration, had not made payments for 18 months — totaling \$4.6 million. The firm also alleged that the government had disregarded numerous attempts it's made to create a payment plan, and had adopted a strategy of completely avoiding Veolia's phone calls, emails and letters.

Veolia's letter attempted to address the excessive amounts the company said was owed to it for services administered for the design, construction and operation of the St. Thomas and St. Croix wastewater treatment facilities.

"As you know, prior to Veolia's arrival in 2004, the Government of the United States Virgin Islands was plagued by a poorly performing lagoon system that created detrimental environmental harms, resulting in litigation and eventually a United States EPA consent decree," read the letter. "The United States EPA consent decree required GVI to have a qualified third party design, build and operate wastewater treatment plants on St. Croix and St. Thomas. GVI engaged Veolia to provide those vital services."

The company said it delivered two state-of-the-art treatment plants on time and on budget, pursuant to the 2004 contract. It said the two plants serve the wastewater treatment needs of all the islands' residents and have achieved 100 percent compliance and effluent quality that Veolia says exceeds regulatory requirements.

"The new wastewater treatment facilities provided, and continue to provide, the prominent standard of care for some of the most pristine water in the world," Veolia said.

Veolia said it recognized the burden that Hurricanes Irma and Maria have placed on the territory's resources, however the funds owed to it had reached an untenable amount.

"GVI is the equivalent of 1.6 years behind in payments, has not made a meaningful payment to Veolia in approximately 18 months, and there has been limited communication from GVI regarding the more than four million six hundred sixty nine thousand dollars outstanding balance," the company said.

The firm had intended to terminate the service contracts if the government did not pay the \$4.6 million amount. However, according to Ms. Nicholas, it appears that while the total amount owed was not satisfied, Veolia will continue to provide its services -- an indication that the company was able to secure guarantees from the government and, as Ms. Nicholas has confirmed, a partial payment.

If Veolia had halted its services, the negative consequences for the territory would have been catastrophic. Wastewater is a big health issue, as it carries and transports a myriad

of diseases and illnesses. It is believed that about 2.2 million people die each year (globally) from diarrhoeal disease, according to the World Health Organization (W.H.O.). At least 1.8 million children under five years die every year due to water related disease, or one every 20 seconds, according to W.H.O. 2008 data.

In 2004, Veolia was awarded the contract to design, construct and operate two new 4-million-gallon-per-day wastewater treatment facilities in the territory. One facility, the Anguilla wastewater treatment plant, is located on St. Croix, while the second facility, the St. Thomas Red Point wastewater treatment plant, includes the decommissioning of existing lagoons on that site, according to Veolia.

During the same Monday hearing, Department of Public Works officials updated lawmakers on upcoming projects, listing a number of road rebuilding work soon to begin along with their completion dates. D.P.W. also revealed that 876,000 cubic yards of debris had been collected.

Also updating the senators was Dawn Henry, Department of Planning and Natural Resources commissioner. She said that with the help of the U.S. Coast Guard, "All vessels have been removed from our marine environment, reduced and stripped of any hazardous material. D.P.N.R. is waiting for the final packaging and shipping of the vessels out of the territory by the Army Corps. No further action is required by DP.N.R.."

Ms. Henry said that from September through December, D.P.N.R. and the U.S. Environmental Protection Agency monitored 417 facilities and collected a total of 2,246 samples, which she said were analyzed for total coliform and E. Coli bacteria.

"The analytical results showed the frequent occurrence of microbiological contaminants, such as E. Coli bacteria, in the water supplies resulting from low chlorine residuals. It was evident that many public water drinking systems had challenges with maintaining adequate chlorine levels in their water in order to meet the drinking water standards. We provided these facilities with technical assistance on proper disinfection methods," she said.

In other action, the committee approved a bill sponsored by Senator Janette Millin Young that seeks to change the current language for disabled persons from "handicapped" parking to "parking for persons with disabilities". The measure, numbered [Bill No. 32-0055](#), also appropriates \$20,000 for the change. It will be forwarded to the Committee on Rules and Judiciary for further vetting.