

The Virgin Islands Consortium

As Subcontractors Sue And Workers Protest For Nonpayment On Home Repair Program, Housing Authority Explains Payment Process

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The Virgin Islands Housing Authority (VIHFA) and the Virgin Islands Territorial Emergency Management Agency (VITEMA), in conjunction with FEMA are expediting outstanding payments due to contractors working on the territory's FEMA Sheltering and Temporary Essential Power (STEP) program, known locally as Emergency Home Repair VI (EHRVI) program, VIHFA announced late Wednesday.

The authority described the approval process for invoices submitted by the program's prime contractor, AECOM, as "complicated," stating that the process involves multiple

federal and local agencies. According to the authority, FEMA releases funds through its local agency counterpart, VITEMA, where invoices must go through an audited approval process. Thereafter, the Virgin Islands Department of Finance must approve payments for the program before they are released to VIHFA.

“To date, AECOM has been paid \$112 million for the work done in the program,” said Daryl Griffith, VIHFA’s executive director. “FEMA will not make any payments until repairs have passed inspection. Payments to the prime contractor can be delayed because the repairs on some homes have not passed inspection.”

He added, “Presently, VIHFA is awaiting the release of a \$5.7 million payment this week and a \$20 million payment within two weeks. We will then immediately pay AECOM which in turn is responsible for paying its subcontractors.”

The press release explaining the payment process comes as subcontractors have been complaining about being stiffed by their contractors, leaving their companies in debt while they are left to find funds to pay their workforce. One of the latest cases involves Uniify, a Louisiana-based firm, along with its subsidiary Uniify of Puerto Rico, which filed suit against a string of contractors in District Court on Friday, claiming lack of payment totaling more than \$1.4 million.

There was also a job action today in St. Thomas by off-island men working on the home repair program. The men, who contacted The Consortium, said they were protesting nonpayment and inhumane treatment from subcontractors.

Ultimately all contracts come from the Housing Finance Authority's chief contractor AECOM. Between late October and early November of 2018, a Consortium investigation of a company named Campbell Development, which had been egregiously mistreating its workers, [led to a raid of the company's offices](#) by Homeland Security Investigations (HSI), Immigration and Customs Enforcement (ICE) Police and the Department of Homeland Security, Office of the Inspector General and other federal enforcement arms.

According the Housing Finance Authority's release, EHRVI is a FEMA reimbursement program. Phase 1 was initially approved to perform minor emergency repairs in single-family, owner-occupied homes. Approximately 5,500 homes have been repaired through the EHRVI Phase 1 program while in EHRVI Phase 2, permanent code compliant roof repairs have been completed on 841 homes, the release said. The program is actively working on 436 home roofs and will begin shortly working on an additional 617 roofs. The EHRVI program will have completed permanent code compliant roof repairs on over 1800 homes in under 8 months.

“Governor Bryan also recently was able to get FEMA to extend the program through March 31 and increase funding for the program,” Mr. Griffith said.