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\$10,000 Bribe; Job That Costs \$174,000 Given to Contractor for \$1.1 Million: Allegations Against WAPA's Gregory Rhymer Aplenty, But Board Wants to Rehire Him

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Ernice Gilbert **March 10, 2021**

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Night shot of WAPA's Richmond power plant By. VI CONSORTIUM

A letter from the vice chairman of the V.I. Water and Power Authority Governing Board, Jed JohnHope, addressed to board chairman Anthony Thomas, has laid bare damnatory accusations against longtime WAPA top tier employee, Gregory Rhymer, who [recently resigned](#) after the board [defunded his \\$150,000 special-advisor-to-the-CEO position](#). Mr. JohnHope's letter to Mr. Thomas, obtained by the Consortium, expressed dismay that the board, even with the surfeit of egregious allegations against Mr. Rhymer, discussed reinstating Mr. Rhymer during a board

meeting held on Monday, March 8.

"I am disappointed that during a Board meeting on Monday, March 8, 2021 the Board discussed reinstating Mr. Greg Rhymer. Based on the information included in this letter, the Authority is better off without Mr. Rhymer," asserted Mr. JohnHope. "Do we really need the environmental specialist responsible for the \$92 million fine for falsifying records? Do we really need the procurement "expert" that enters more bad contracts than good (contracts)? Do we really need the Tank 12 cleaning project architect to do anything?"

The accusations against Mr. Rhymer are aplenty. According to documents of a 2014 internal WAPA audit that was attached to the letter, Mr. Rhymer allegedly sought a bribe from the owner of a company doing contract work at WAPA around two years into Mr. Rhymer's chief operating officer (COO) role. The contractor, O'Brien Charles, said during questioning for the internal WAPA audit that Mr. Rhymer asked him for money to travel. Mr. Rhymer did not say how much he needed, said Mr. Charles, adding that he did not give Mr. Rhymer any money. The WAPA auditor then asked Mr. Charles whether his work at WAPA diminished thereafter, and Mr. Charles simply stated, "Yes."

[\[Letter Addressed to Anthony Thomas from Jed JohnHope and Accompanying Documents\]](#)

Asked by the auditor whether he believed the diminished work was a result of Mr. Rhymer not receiving the money, Mr. Charles stated, "Yes, without a shadow of a doubt."

Orlando Remak, a former WAPA power plant manager in St. Thomas, also participated in the internal audit. He told the auditor that Felipe Campus, president of Turbo Serve out of Puerto Rico, paid Mr. Rhymer \$10,000 cash to secure a contract to provide maintenance services on gas turbines units 15 and 18 in St. Thomas. Mr. Campus received the contract.

Tank 12 Cleaning and Repair Extreme Overcharge

According to the internal audit document, at Mr. Rhymer's behest and direction when he was WAPA's COO in 2012, WAPA hired an unqualified contractor, ABC Concepts, instead of the usual vendor, Tampa Tank, to clean and repair Tank 12, under an emergency contract. While Tampa Tank was never asked to bid on the project, the estimated cost to provide this service by Tampa Tank was \$174,000 and WAPA engineers estimated \$200,000. Mr. Rhymer selected ABC Concepts and paid the company \$1.1 million — \$810,914 for cleaning and \$301,086 for waste disposal — which is more than six times the cost of the usual vendor. Yet even with the exorbitant amount, ABC Concepts, according to the audit, never completed the project; created an oil spill which resulted in WAPA paying another vendor to clean up the spill; damaged the tank and provided sub-standard work, which required follow-up from Tampa Tank to "correctly" complete the job. ABC Concepts never provided documentation that would have ensured that WAPA waste was disposed at an EPA-approved disposal site, according to the audit, which also says the project was completed late, resulting in WAPA paying the fuel supplier's delay charges.

The audit also pointed out what it said were several irregularities with the project:

- Six invoices dated before the contract was signed were paid by the Authority
- Numerous materials loaned to contractor to complete job and then paid for by WAPA, once invoiced by ABC Concepts
- Poor contract compliance – questionable overtime, excessive rates, etc.

Mr. Charles told the auditor that the Tank 12 job included pumping oil from tank 12 to tank 13. "From my observation, the contractor, ABC Concepts did not know what they were doing," said Mr. Charles. "They cut a big hole in the firewall of the tank. The work was done shabby. The two manholes were opened for an excessively long time and this caused the oil in the tank to get hard. ABC Concepts were in a bind and they did not know what to do. They contacted me and asked me to assist them but I did not. I [preferred] not to get involved in ABC Concepts and the work they were doing."

ABC Concepts started the tank cleaning — the \$810,914 job — without a contract from WAPA. The company was also provided with \$301,086 for waste disposal that was never performed, according to the audit.

Mr. Rhymer authorized payments for ABC Concepts for the work on tank 12 from WAPA's emergency contract, said Mr. Remak, the former WAPA power plant manager. Mr. Remak said he was asked to prepare an estimate, which was \$200,000. After he presented the estimate to Mr. Rhymer, Mr. Remak said he was told to get a quote from ABC Concepts. ABC Concepts then quoted the job to be \$810,914 for cleaning and \$301,086 for waste disposal.

Additionally, [Whistleblower Rupert Pelle](#) , who held a number of positions during his years at WAPA beginning in 2000, said that in 2014, Mr. Rhymer was part of the internal audit investigation that was turned over to the Office of the Attorney General for further prosecution.

"That is a case where Mr. Rhymer allegedly received kickbacks from contracts SC-12-13, SC-22-13 and SC-24-13 at which time he was the Chief Operating Officer," said Mr. Pelle. "These contracts ranged from scopes of converting the tanks from accepting No. 6 to No. 2 oils, to emergency contracts and tank cleaning. All of these contracts were awarded to the same contractor, Cleve George of ABC Concepts who was not qualified to do the work and who had previously been imprisoned by the Federal Government for falsifying environmental records."

Mr. Pelle added, "The reason these three contracts were flagged for possible kickbacks was because of the cleaning of tank 12 which was awarded to Mr. George for \$1,111,000. That was \$811,000 for the cleaning and \$300,000 for the disposal of the waste. Tank 12 was previously cleaned for a cost of \$31,819 and as a comparison tanks no. 10 and 11 on STT and no. 3 on STX were also cleaned for \$11,500, \$11,500 and \$40,000 respectively. To this day, no one has been able to produce Mr. George's cradle to grave records for the disposal of the waste from the fuel tanks. Mr. Rhymer was also ultimately responsible for the \$92 million dollar fine that was levied against the authority for the falsification of the air emission records. Due to the authority's financial situation, the fines were reduced to consent decrees which we are still under today."

Mr. JohnHope, the WAPA board vice chairman, said the foregoing information was more than enough to remove permanently Mr. Rhymer from the authority, and revulsed at the board's decision to entertain discussions to bring him back at WAPA in another capacity after his special-advisor-to-the-CEO position [was defunded in a 7-2 vote](#) on February 25, 2021.

"Surely there is enough talent within the Authority to persevere without a single, seemingly inept individual," wrote Mr. JohnHope. "I must remind you that exempt employees can be terminated for any reason, including no reason at all. The termination of a potentially corrupt employee will have more impact than a million zero-tolerance policies. I urge you to take a stand with me and not only speak of zero-tolerance on suspected corruption but also take meaningful action. Similarly, I urge you to demand full accountability for poor decisions and/or results – especially by senior managers. That is the only path forward for the utility to extricate itself from its current

quagmire. Not only do our employees and ratepayers deserve better, but it is also the right thing to do."

In a statement issued to the Consortium Wednesday evening, Mr. Thomas said, "In response to your inquiry about the March 9 letter addressed to me highlighting various allegations, be advised that sometime in 2015, once internal audits were completed, findings were turned over to the V.I. Justice Department for further investigation. Questions about any such investigation should be directed to the Office of the Attorney General."

He added, "Neither WAPA or its governing board will comment on any investigation or on personnel matters. On March 1, 2021, the Governing Board implemented a Zero Tolerance Anti-Corruption Policy. The policy addresses all allegations of misconduct and malfeasance in the Authority, real or perceived. Employees of WAPA are acknowledging the existence of the policy and are aware that there will be no tolerance for any form of corruption. Confirmation of the presence of any such activity will be dealt with swiftly up to and including termination. Under terms of the policy, such matters will be turned over to federal and local authorities once acts of corruption have been confirmed."

Mr. Thomas, however, did not address a number of questions, including why the board held discussions to reinstate Mr. Rhymer.

Calls placed to Dept. of Justice Media Relations Director, Sandra Goomansingh, were not immediately returned. The Consortium also reached out via email, where Ms. Goomansingh said the Consortium's email was "forwarded to the team" and that she would get back to the publication as soon as she hears back.

We originally reported that V.I. Attorney General and head of the Dept. of Justice, Denise George, is a sister of Cleve George of ABC Concepts. However, in a statement provided to the Consortium at 12:51 a.m. Thursday, Ms. Goomansingh said, "While AG George does have a brother named Cleve-Allan George, he is not associated with any company by the name of ABC Concepts nor has he had any contract with WAPA for tank cleaning services. The "Cleve George of ABC Concepts" reference in the letter appears to be a mistake, falsehood, or another person with a similar name. The existence of any close relatives or family members associated with or possibly implicated in any case or investigation conducted by the AG's office would require the AG to recuse herself from any involvement with such case or investigation."

The Cleve George that Mr. Pelle — the WAPA whistleblower — spoke of was an individual who Mr. Pelle said "had previously been imprisoned by the federal government for falsifying environmental records." The Consortium found online a case involving a Cleve Allan George of St. Thomas, who was convicted in the District Court of the Virgin Islands on number of charges, including violations of the Clean Air Act, and other counts including violating 18 U.S.C. § 1001 (a) by knowingly and willfully transmitting twelve falsified air-monitoring reports to the Virgin Islands Housing Authority. Mr. George along with co-defendant Dylan C. Starnes appealed the case to the Third Circuit Court of Appeals, but the Third Circuit [upheld the District Court's ruling](#).

The internal audit was turned over to the V.I. Dept. of Justice in 2019 during A.G. George's current tenure, but there has been no word on the case.

Questions posed to Governor Albert Bryan and Gov't House Communications Director Richard Motta, were not responded to at time of writing. The questions include the following:

1. Who is the governor's main advisor on WAPA and WAPA issues?

2. Has Government House pressured the WAPA board to reinstate Gregory Rhymer? If so, why?
3. Does Government House Chief of Staff, Karl Knight, have a special relationship with Rhymer?
4. Has Rhymer paid for trips for Government House chief of staff?
5. Does the chief of staff stay at Rhymer's home in St. Thomas?
6. How much does the governor really know about what is going on at WAPA?
7. Does the governor believe he is being led blindly by his chief of staff — his most trusted advisor?
8. What is the governor's statement on the matter as a whole?

This story was last updated at 3:59 a.m. to include V.I. Attorney General Denise George's statement.

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