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Governor Bryan to Meet WAPA CEO Finalists Over Dinner This Week

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Aerial shot of WAPA By. ERNICE GILBERT FOR VI CONSORTIUM

Governor Albert Bryan will meet the two individuals chosen by the V.I. Water and Power Authority as finalists for the chief executive position at the beleaguered authority, among the final steps being taken as part of the due diligence process.

Speaking to the Consortium Sunday, the governor said while he will meet with the finalists over separate dinners, as of Sunday he had not seen their resumes and that the meeting was not to project influence over the process, but rather a formality. He will also speak to the finalists about the challenges facing the authority.

"I don't know if they were living here before, if they are from here, I don't know," Mr. Bryan said, a deliberate attempt to stay out of the process. "Once again all I ask is that I meet them, I am not making that decision either because the board needs to do the board's work."

WAPA [in April said](#) it engaged the firm Russell Reynolds Associates to lead the recruitment process for the authority's new chief executive officer position. WAPA's last chief executive officer, Lawrence Kupfer departed when his contract ended at the end of February.

Among the problems Mr. Bryan is expected to highlight during the dinner is WAPA's precarious financial position. The recent trend of increasing fuel prices on the world markets [has had a detrimental effect on WAPA's cash flow](#), according to people familiar with the matter. Sources with first-hand knowledge of the financial affairs of the utility report that while the cost of fuel is increasing, WAPA was on a pay-in-advance arrangement with its two fuel vendors, VITOL and Glencore as of September, and payment for anything other than payroll and fuel has been dicey. "Fixed obligations are routinely being deferred as the financial health of the company worsens," the source said.

During a late-September meeting, the Government Employees' Retirement System [threatened legal action](#) against the authority because WAPA was nine pay periods behind on employer contributions with an outstanding balance of \$3.1 million. G.E.R.S. Administrator Austin Nibbs read a letter at the meeting from Interim WAPA CEO Noel Hodge, which said WAPA was "working to secure the necessary funds to pay the authority's outstanding employer contributions."

The letter cited unexpectedly "high fuel cost and a longstanding unfavorable regulatory and political environment" as reasons why WAPA has not "realized sufficient revenues in the past 10 months to fund some essential expenses. As a result the authority was unable to remain current with its bi-weekly G.E.R.S. contributions."