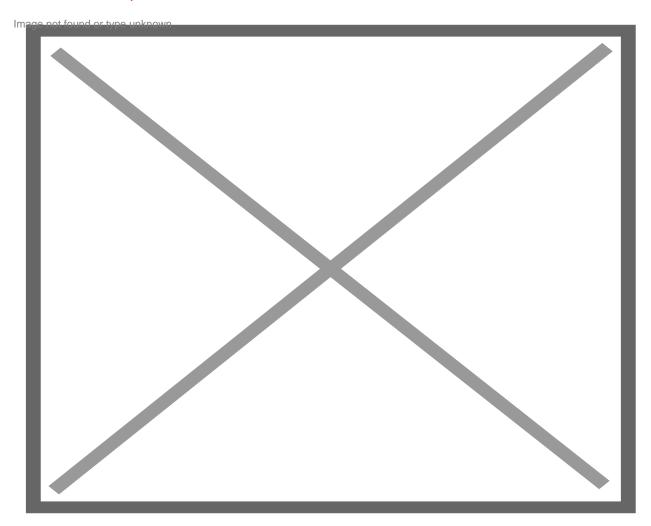
WAPA Governing Board Approves \$145 Million Settlement with Vitol by One-Vote Margin

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WAPA's Richmond Power Plant. By. ERNICE GILBERT, V.I. CONSORTIUM

In an emergency meeting of the Water & Power Authority Governing Board on Friday, a motion to approve the \$145 million deal to bring a close to the contentious relationship between WAPA and Vitol passed by a 1-vote margin.

As the new deadline of May 1 for the first payment of \$45million in the negotiated settlement between the two parties fast approaches, the board convened on Friday to consider the motion that would clear the way for the deal to move forward.

After WAPA CEO Andrew Smith revisited the salient points behind the arguments in favor of the deal, board member Elizabeth Armstrong queried whether the expected HUD funding that would

repay the money expended by the Government of the Virgin Islands, advanced on behalf of WAPA. Mr. Smith answered in the negative.

When it came time for a vote, both Ms. Armstrong and fellow board member Hubert Turnbull voted no on the motion. The motion was initially declared failed, however it was discovered that board member Juanita Young had left the call prior to the votes being recorded. Board chair Kyle Fleming decided to hold the vote open while attempting to reconnect Ms. Young to the virtual meeting.

After several minutes of trying and failing to reach Ms. Young, Ms. Armstrong left the call, however it appeared that should Ms. Young rejoin, the board would still have a sufficient number of members present to form a quorum. Following Ms. Armstrong's departure, the board waited another several minutes for Ms. Young to return, until Mr. Fleming, the board chairman, announced that Ms. Young was back on the line. Queried for her vote, Ms. Young recorded a response in the affirmative, resulting in the motion's passage by a 3-2 margin.

Once the approval to enter into the Vitol transaction was given, the board then considered whether to approve the issuance of a promissory note with the government in the amount of \$45 million to facilitate the government's release of the needed funds to Vitol. "The promissory note is...effectively just a record that that sum has been advanced to the Authority by the Government of the Virgin Islands," WAPA Chief Financial Officer Jacob Lewis explained, as well as an undertaking by WAPA to "pay back that amount due to the Government of the Virgin Islands once the authority receives the federal funds related to this project."

Board members heard from Mr. Lewis that part of the arrangement includes the transfer of \$1.5 million in WAPA funds currently being held by Vitol to the Government of the Virgin Islands. The money, which will be released when the final \$100 million payment is made on or before August 1, will be handed over to the government to offset WAPA's debt.

In Ms. Armstrong's absence, the motion to approve the promissory note carried by a vote of 3-1, with board member Turnbull voting no.

Upon voting to adjourn the meeting, it was discovered that the meeting's quorum had been lost when Ms. Young again dropped off the line prior to the votes being canvassed. After a short discussion among members who received from the two attorneys present, Mr. Fleming announced that the meeting would be recessed, since there were insufficient numbers for a valid vote on adjournment.

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