

**TESTIMONY FOR THE 36TH LEGISLATURE COMMITTEE
ON BUDGET, APPROPRIATIONS, AND FINANCE**

MONDAY, JUNE 21, 2025

**DARYL GRIFFITH
INTERIM EXECUTIVE DIRECTOR/CHIEF
FINANCIAL OFFICER**

VIRGIN ISLANDS WASTE MANAGEMENT AUTHORITY

1 Good day, Honorable Senator Novelle E. Francis, Jr., Chairman, and other Committee
2 members of the 36th Legislature's Committee on Budget, Appropriations, and Finance,
3 and members of the viewing and listening audience. I am Daryl Griffith, the Interim
4 Executive Director and Chief Financial Officer of the Virgin Islands Waste
5 Management Authority.

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7 I am appearing before you today with the Authority's Executive Leadership Team
8 consisting of Luz Bermudez, Comptroller Attorney Florence Kahugu, Chief Legal
9 Counsel, Erika Callwood, Human Resources Director, Alex Bruney, Wastewater
10 Engineering Manager, Keith Smith, Wastewater Technical Operations Manager,
11 Shena Esannason, Solid Waste Director, Lorna Nichols-Minkoff, Communications
12 Director, Juanita Iles, Territorial Lead Grant Administrator, and Eloise Brown,
13 Territorial Grant Administrator, and to provide testimony relevant to the Authority's
14 proposed fiscal year 2026 budget.

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16 The Government of the U.S. Virgin Islands has recommended an appropriation of
17 \$42,852,000.00 to the Authority for Fiscal Year 2026. This is comprised of
18 \$32,500,000.00 from the General Fund, \$5 million from the Anti-Litter and
19 Beautification Fund, \$1 million from the Tourism Advertising Revolving Fund, \$2.5

million in Utility Expenses, and \$1,852,000 Sewer Wastewater Fund. The Authority's 2026 balanced budget is \$53,619,240.00. The Authority expects to generate \$3.5 million in Tipping Fees. In 2024, the Authority generated \$2.7 million in tipping fees, and as of June 2025, the year-to-date total was \$2.3 million. The Authority's current tipping fee is \$7.50 per cubic yard, which translates to \$5.06 per ton (1 cubic yard = 0.675 tons). Tipping fees for waste disposal vary significantly by state, with the Pacific and Northeast regions typically having the highest fees. In contrast, the South Central and Southeast regions generally have the lowest. The national average for municipal solid waste (MSW) landfill tipping fees was around \$53.72 per ton in 2020. The Virgin Islands fee is 90% lower than the National Average.

The Authority is submitting a formal request to the PSC for approval of a Solid Waste Collection, Disposal & Maintenance Fee, which it projects will generate \$6,897,240.00. The Solid Waste Collection, Disposal & Maintenance Fee is designed to cover the costs of house-to-house, bin site, convenience center, public housing, government agency, and school garbage collection, as well as transportation to landfills. The Fees are designed to cover the costs of solid waste garbage collection throughout the Territory.

The VIWMA Solid Waste Collection, Disposal & Maintenance Fee will be charged to property owners at the following rate: Residential units and residential vacant lots at a rate of \$180 per year (equivalent to \$15 per month). Commercial Property and Central Government units will be exempt from this fee. The fee will be charged to property tax bills. Residential units account for 34,022 properties, while vacant lots comprise 20,718 parcels.

The fee will be charged to property tax bills:

Residential Properties: 34,022 properties X \$180 = \$6,123,960.00

Vacant Lots: 20,718 properties X \$180 = \$3,729,240.00

The VIWMA Solid Waste Collection, Disposal & Maintenance Fee	Number of:	Annual Fee	Total Annual Fee Generated
Residential Properties	34,022	\$ 180.00	\$ 6,123,960.00
Vacant Lots	20,718	\$ 180.00	\$ 3,729,240.00
Grand Total Annual Fees			\$ 9,853,200.00

The grand total that can currently be collected from residential units is \$6,123,960.00, and from vacant lots is \$3,729,240.00, totaling \$9,853,200.00. The Authority estimates an annual collection rate of 70% based on the evaluation of the Lt. Governor's Office data, which yields an estimated annual collection rate of \$6,897,240.00. In most jurisdictions, this fee is included in the utility bill; however, due to WAPA's dire financial situation, the Authority is not comfortable with payments being processed through them.

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Expenses

58 The Authority's Projected Expenditures & Capital Outlays' most significant expense
59 is Personnel Services at \$20,039,495.00, which includes regular wages, fringe benefits,
60 overtime, vacation, and sick pay for 170 employees, as well as 48 vacant positions.
61 The Authority expects to fill 20 of the vacant positions by the end of 2026. In fiscal
62 year 2025, VIWMA welcomed 12 new team members and experienced 22 departures,
63 including four retirements. Professional Services make up the second largest expense
64 at \$25,816,200.00. Garbage Collection Services account for \$12.4 million of these
65 Professional Services expenses. Below is the current cost for Territorial Garbage
66 Collection Services.

Service St. Croix	Annual Fee
House to House Garbage Collection	\$ 3,546,129.00
Three Bin Sites Collection	\$ 1,300,000.00
Public Housing Garbage Collection	\$ 369,900.00
Government Agencies Garbage Collection	\$ 215,460.00
Green Waste Disposal	\$ 500,000.00
Total STX	\$ 5,931,489.00
Service St. Thomas	Annual Fee
House to House Garbage Collection	\$ 146,800.00
Bin Sites Collection	\$ 2,626,298.00
One Convenience Center	\$ 215,280.00
Public Housing Garbage Collection	\$ 137,236.00
Government Agencies Garbage Collection	\$ 66,352.00
Green Waste Disposal	\$ 500,000.00
Total STT	\$ 3,691,966.00
Service St. John	Annual Fee
Removal of Bins from STJ to Bovoni Landfill	\$ 1,966,167.00
Barge Services	\$ 812,136.00
Port Fees	\$ 35,000.00
Total STJ	\$ 2,813,303.00
Grand Total	\$ 12,436,758.00

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68 Landfill Maintenance is the second largest professional service expense, at
69 \$5,970,000.00. This covers both the Anguilla and Bovoni Landfill. The Wastewater

Disposal Service fee is slightly over \$5 million. It covers the annual cost of \$2.5 million for wastewater treatment plant maintenance paid to VWNA, as well as \$2.5 million in emergency repairs to the failing system. The Authority currently has an Accounts Payable of over \$20 million. As such, the annual budget includes a section titled "Past Due Invoices," created to reduce the amount owed to contractors.

Federally Funded Solid Waste Management Initiatives

Under a subrecipient agreement between the Virgin Islands Housing Finance Authority (VIHFA) and VIWMA, federal grant funding was awarded for the execution of projects identified in the HUD-approved Tranche 2 Action Plan. These projects address critical infrastructure needs stemming from damage caused by Hurricanes Irma and Maria. VIWMA has submitted major applications for the convenience centers and landfill projects in the amounts of \$18,046,064.00 and \$46,760,901.00, respectively, totaling \$64,806,965.00.

Convenience Centers – St. Thomas, St. Croix, and St. John - \$ 18,046,064

Mon Bijou, Cotton Valley, and Concordia Convenience Centers (St. Croix)

The VIWMA received authority to Use Grant Funds (AUGF) from the Virgin Islands Housing Finance Authority (VIHFA) to develop the Mon Bijou, Cotton Valley, and Concordia Convenience Centers on St. Croix. This approval enabled VIWMA to

advertise, select, and contract a design-build firm for these centers. VIWMA has completed its procurement process and selected Continental Construction & Engineering LLC as the contractor, which has commenced the design phase for the Mon Bijou, Cotton Valley, and Concordia Convenience Centers. Additionally, VIWMA collaborated with the Department of Planning and Natural Resources, Division of Coastal Zone Management (DPNR-CZM), and has secured approval of the Federal Consistency Determination (FCD).

Red Hook Convenience Center Project

The Red Hook Center, located in a designated floodplain, is currently undergoing HUD's Eight-Step Environmental Review Process to ensure compliance with Executive Orders 11988 and 11990. The review is anticipated to take 6–8 months. This process assesses the project's potential environmental impact and involves collaboration with federal and local agencies, interest groups, and the public.

Bournefield Convenience Center and Susannaberg Transfer Station Upgrades

VIHFA has approved the Bournefield Convenience Center and Susannaberg Transfer Station upgrade applications. VIHFA is currently preparing Project Agreements and the Notice to Proceed, which will allow for the initiation of environmental assessments.

Meanwhile, VIWMA is working with DPNR to obtain Federal Consistency Determination (FCD) approval. VIWMA remains committed to advancing these critical waste management projects, ensuring compliance with environmental regulations while improving waste disposal infrastructure across the U.S. Virgin Islands.

Anguilla Landfill Closure – St. Croix - (\$46,760,901.00)

The Anguilla Landfill has been in operation since the 1960s and continues to face significant environmental and compliance challenges. In response to a 2013 federal consent decree (Case No. 3:10-cv-00048-CVG-RM), VIWMA is advancing a phased closure approach, supported by CDBG-DR funds. Phases 1 through 6 will proceed upon execution of a lease agreement with the Virgin Islands Port Authority. Planned improvements include:

- Slope regrading
- Leachate and gas management systems
- Stormwater controls
- Perimeter roads and sedimentation ponds

The project is crucial in curbing frequent landfill fires and mitigating risks to surrounding ecosystems, including critical mangrove wetlands.

CDBG-DR Tranche 3 Funding – \$100,000,000

These mitigation funds, obligated under VIHFA's CDBG-MIT Action Plan, are earmarked for critical infrastructure projects, including:

- Bovoni Landfill Expansion
- Anguilla Landfill Closure (Phases 7 & 8)
- New Integrated Solid Waste Management Facility on St. Croix (Design, Site Acquisition, and Permitting)

New St. Croix Landfill Siting

In partnership with the U.S. Department of Justice, VIWMA utilized a GIS-based site analysis to identify potential locations for a new landfill on St. Croix. Sixty-six (66) initial parcels were reviewed, and three (3) remain under consideration. Community engagement meetings are scheduled to begin in October 2025.

Bovoni Landfill Expansion and Closure

With the Bovoni Landfill nearing capacity, expansion and partial closure are urgently required. The project scope includes:

- Mechanically Stabilized Earth (MSE) wall installation

- Expansion of northern, western, and southwestern landfill sections
- Long-term monitoring and environmental controls
- Acquisition of surrounding land (title searches are underway)

These actions are crucial to maintaining a continued waste disposal capacity and ensuring environmental compliance.

DPNR Waste Diversion Grant – \$6,000,000

VIWMA has entered an MOA with DPNR to develop and implement an Integrated Sustainable Materials Management Program (ISMMP) aimed at:

- Reducing landfill fires
- Conserving landfill capacity
- Enhancing recycling and reuse infrastructure
- Improving disaster debris management capacity
- Promoting circular economy practices

VIWMA has contracted the University of the Virgin Islands (UVI) to:

- Draft the ISMMP
- Conduct a Virgin Islands Recycling Data Management Study
- Identify commercially viable technologies for sustainable waste processing

This work will inform long-term strategies for reducing waste, increasing resiliency, and ensuring environmental sustainability throughout the Territory.

Federal Grants Division - *Wastewater*

The Virgin Islands Waste Management Authority has been fortunate over the past few years in securing funding from federal partners to support the future development of the U.S. Virgin Islands' wastewater infrastructure. The funding supports upgrades and maintenance to all wastewater infrastructure, to include pump stations, treatment plants, force mains, gravity sewer lines, and the purchase of specialty equipment. They are predominantly supported through the Federal Emergency Management Agency (FEMA), the U.S. Environmental Protection Agency (EPA), and the U.S. Department of the Interior (DOI).

FEMA – Federal Emergency Management Agency

Prudent Replacement has had a significant impact on the amount of funding the Virgin Islands Waste Management Authority has been obligated for. The work has begun with the Development of Architectural and Engineering Designs for the LBJ Sewershed and the acquisition of pumps on St. Croix.

VIWMA Major FEMA Public Assistance Funding			
	<i>Federal Share (95%)</i>	<i>VIWMA Share (5%)</i>	<i>Total Cost</i>
A&E Costs Related to Prudent Replacement	\$ 28,500,000.00	\$ 1,500,000.00	\$ 30,000,000.00
	<i>Federal Share (98%)</i>	<i>VIWMA Share (2%)</i>	<i>Total Cost</i>
St. Croix Pump Station Repairs and Wastewater Treatment Plant	\$ 989,747,435.18	\$ 20,198,927.25	\$ 1,009,946,362.43
St. Thomas Wastewater System	\$ 2,144,882,835.57	\$ 43,773,119.09	\$ 2,188,655,954.66
St. John Wastewater System	\$ 81,917,395.68	\$ 1,671,783.58	\$ 83,589,179.26
Total Funding	\$ 3,245,047,666.43	\$ 67,143,829.92	\$ 3,312,191,496.35

Projects:

- STX North Central Horizontal Bundle*** is currently in the contract review stage. Person's Services Corporation (PSC) was the winning firm that the evaluation committee selected to enter into a contract for all underground utilities (water, electric, sewer, and roads). The contract was prepared and submitted by ODR to Persons for their review and signature. This bundle covers all STX North Central (from Castle Burke East to Tide Village). The total VIWMA cost for the gravity sewer line replacement under this bundle is \$258,754,089.92.
- STX Southwest Horizontal Bundle*** under the Office of Disaster Recovery, the request for proposal (RFP) review has been completed and should be released

for advertisement by the end of July 2025. This bundle covers underground utilities from Castle Burke West to Sandy Point and Frederiksted Town.

- ***STX Small Pump Station Equipment Acquisition Project*** was approved by the VIWMA Board of Directors on 6/7/2025. This would enable Caribbean Utility Services, LLC (CuServ) to procure pump station equipment for all small pump stations on the island of St. Croix through a purchase order, with a total cost not exceeding \$1,206,984.53.

- ***Fig Tree Pump Station Equipment Acquisition Project*** pending board approval for the purchase, shipping, and installation of pump station equipment at the Fig Tree Pump Station on the island of St. Croix. The recommended winning vendor's cost shall not exceed \$1,473,653.00.

- ***STT East Horizontal Bundle*** solicitation proposals were due July 10, 2025. Proposals have been submitted to ODR. This bundle consists of underground utilities from Raphune Hill to Red Hook.

209 **Upcoming Projects:**

- 210 1. St. Thomas Small Pump Station Equipment Acquisition Project – RFP out July
211 18, 2025
- 212 2. St. John Small Pump Station Equipment Acquisition Project – RFP out July
213 18, 2025
- 214 3. Cruz Bay Wastewater Treatment Plant – RFP out September 5, 2025

215 **USEPA – Clean Water State Revolving Fund**

216 The VIWMA has received funding for FY 2017 through 2023, totaling \$27,794,772.00
217 for pump station upgrades, sewer line repairs, wastewater treatment plant upgrades,
218 and specialty equipment from the U.S. Environmental Protection Agency (USEPA)
219 through the Department of Planning and Natural Resources. Currently, we have two
220 active construction grants: the Christiansted Sewer System Rehabilitation and the
221 Krause Lagoon Interceptor rehabilitation project.

222 *Current VIWMA CWSRF Major Projects:*

- 223 • Christiansted Sewer System Rehabilitation: This project was awarded to Marco
224 St. Croix, Inc. The current contract totals \$10,148,004.78. To date
225 \$7,713,004.50 has been paid for completed work. The project is 81.1%
226 completed.

227

- 228 • Krause Lagoon Interceptor Rehabilitation (Catherine's Rest) – The Project was
229 awarded to SD& C, Inc. The current contract totals \$10,121,396.65. To date
230 \$5,964,116.49 has been paid for completed work. Rehabilitation of underground
231 sewer lines and manhole work is ongoing. The project is 65% completed.

232

- 233 • Mangrove Lagoon Wastewater Treatment Plant – EPA/DPNR approved the
234 facility plan. The architecture and engineering design is currently out for bid,
235 and the proposals are due August 15, 2025. This project will be funded by the
236 Bipartisan Infrastructure Law (BIL) funding through the EPA. The estimated
237 cost is approximately \$25 million.

238

- 239 • Brassview Wastewater Treatment Plant – A request for quotations was done to
240 complete equipment supply and installation. Ten vendors were contacted. WMA
241 has received two quotes and is awaiting a third to execute the procurement
242 requirements. The estimated cost of this upgrade is \$67,500.00 and is expected
243 to be completed within 30 days.

244

DOI – Capital Improvement Program

245 Through the Virgin Islands Office of Management and Budget, awarded by the U.S.

246 Department of Interior, VIWMA has been awarded \$402,739.00 under the 2019
247 Capital Improvement Grant Program (CIP) and \$705,977.00 under the 2021 funding
248 year.

249 *2019 Grant Funding:*

250 **Pedrito A. Francois (Red Point) Wastewater Treatment Plant Emergency**
251 **Generator Project**

252 The grant will allow VIWMA to significantly increase operational reliability and
253 reduce hazardous threats to the environment and public health in the event of a power
254 failure, as well as reduce non-compliance (wastewater overflow). The scope and cost
255 estimate have been submitted to the VIWMA Procurement Division, pending the
256 advertisement for a request for a quotation.

2019 Project	Budget
Pedrito A. Francois (Red Point) Emergency Generator - 1000 KW	\$ 391,989.00
Generator Shipping	\$ 10,750.00
CIP 2019 Grant Funding	\$ 402,739.00

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258 *2021 Grant Funding:*

259 Harold G. Thompson Wastewater Treatment Plant UV system upgrade. The UVI
260 system upgrade scope of work and cost estimate were completed by the Engineering

team. The documents have been submitted to the VIWMA procurement division. The RFP is currently pending advertisement. The work is estimated to be completed within eight months after the contract is awarded.

2021 Project	Budget
Ultraviolet Modules (All 5 Banks)	\$ 594,449.00
Cleaning the Equalization Basin	\$ 15,383.00
Install a permanent Bypass around the EQ Basin	\$ 96,145.00
CIP 2021 Grant Funding	\$ 705,977.00

DOI – Maintenance Assistance Program

U.S. Department of Interior awarded funding to the VIWMA for the purchase of specialty wastewater equipment and wastewater technical staff training under the 2020 and 2021 Maintenance Assistance Program (MAP). The equipment will support the wastewater team in their daily wastewater operations.

2020 and 2021 Grant Funding:

2020 Grant Funding: Funding under the 2020 MAP is for the purchase of two CCTV Camera Trucks. This project was resolicited after approval from the DOI for the purchase of two small CCTV Camera trucks. Bidders submitted questions for clarification from Engineering, and our Engineers responded to all questions. This project is currently in procurement to finalize the purchase of the camera trucks.

2020 Project	Cost	Parts	Shipping	Budget
Closed Circuit TV Camera Truck - STX	\$ 226,500.00	\$ 1,000.00	\$ 10,000.00	\$ 237,500.00
Closed Circuit TV Camera Truck - STT/STJ	\$ 226,500.00	\$ 1,000.00	\$ 10,000.00	\$ 237,500.00
VIWMA Wastewater Technical Staff Training	\$ 60,000.00			\$ 60,000.00
DOI MAP 2020 Grant Total				\$ 535,000.00

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277 **2021 Grant Funding:** The VIWMA Evaluation Committee selected Briggs
 278 Equipment Inc. as the vendor to purchase mini excavators. The mini excavators were
 279 purchased in September 2024 for a cost of \$236,600.00. The mini excavators are
 280 currently being used on St. Croix and St. Thomas for all wastewater needs. The
 281 VIWMA's ultimate goal is to successfully execute all federally funded projects,
 282 including those preeminent projects funded through FEMA's Prudent Replacement.
 283 This will improve our wastewater system, allowing VIWMA to protect public health
 284 and produce better-quality effluent water from the treatment plants while eliminating
 285 ground or stormwater infiltration into the system.

286 **Impact:**

- 287 ☐ Better management of the wastewater system.
- 288 ☐ Lessen the number of overflows.
- 289 ☐ Reduce odor.
- 290 ☐ Reduce blockages.

291 ☐ Produce higher-quality effluent water from the treatment plant.

292

293 The VIWMA is deeply committed to executing these vital projects efficiently and
294 transparently. We recognize the urgency of our mission—to protect public health,
295 conserve natural resources, and create a more sustainable waste management system
296 in the U.S. Virgin Islands. With continued support from federal and territorial partners,
297 we are confident that these projects will deliver lasting benefits to the environment,
298 economy, and communities.

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300 Mr. Chairman, and honorable members of the Senate, thank you for the opportunity to
301 speak before you today. As we conclude, I would like to take a moment to extend my
302 deepest gratitude to the hardworking men and women of the Virgin Islands Waste
303 Management Authority. Your tireless efforts in maintaining the health, safety, and
304 cleanliness of our islands are the foundation upon which our communities thrive. Your
305 dedication does not go unnoticed, and it is because of your commitment that we can
306 envision a cleaner, more sustainable future for the Virgin Islands. To the Senate, thank
307 you again for your time, your questions, and your continued support as we work
308 together to build a stronger, more resilient territory for all. This concludes my
309 testimony.