

The Honorable Milton E Potter
Senators of Committee of the Whole
Legislature of the Virgin Islands
Capitol Building, Charlotte Amalie
P.O. Box 1690 St. Thomas, VI 00804

June 24, 2026

Good Day, Members of the Committee of the Whole and
Honorable Committee Chair, Senator Potter,

Thank you for this opportunity to address a few of my concerns and opposition to, Bill Request No. 26-1154, the ratification of an amended lease with the Water Island Development Company.

My name is Rachael Ackley, and I am a born and raised Virgin Islander. I own a home and run three businesses on Water Island, where I reside full-time with my husband and our two children. I ran Water Island Search and Rescue for the last decade and still volunteer as a First Responder. I am actively involved on the Civic Association board as Treasurer and I Chair two of our Sub Committee Boards. I am deeply committed to our community, and feel a powerful sense of stewardship for this beautiful, unique place that we call home.

I would like to draw your attention to a few specific areas today: the astonishing scope in terms of population increase we are potentially facing; the inherent jeopardy to our already precarious energy infrastructure; the privatization of critical public parcels; the condition of the roads and lastly, the upheaval of our current emergency response structures.

Let me start by saying that I am not in the least against the development of a hotel and marina on Water Island. On the contrary, I believe the majority of us see many positives to such a project, were it befitting the scale and character of our island. This proposal however-- which recently first came to our attention via an article in the *VI Consortium* on June 1st -- is not a fit for this island. A giant resort like this would balloon the current population of fewer than 200 residents to nearly ten-fold, according to the projected numbers of employees plus their families, the hotel guests, and the combined villa and condo folks, on top of those of us already here. This is an alarmingly large and abrupt population explosion, and we are extremely concerned that the island and its infrastructure can't handle growth of this speed and magnitude. For comparison if the population of St Thomas' jumped from 42,000 to some 400,000 by 2030 would it be feasible or desirable? Our little island of less than 500 acres cannot possibly handle this.

We understand from the lease with attached "conceptual" plans that we've been presented with, that the developer expects to put in place electrical, sewage and water facilities, but at what point in the development process will all this occur? Critically for those of us already living here, how would these new systems be integrated into the island's current systems without completely disrupting the entire island for years? On top of this, Water Island is powered by an undersea cable from WAPA that was installed in the 50's and is currently in poor condition. With the additional grid loads needed to power a hotel or employee housing facility, this wire will likely fail and leave Water Islanders in the dark for a very long and indeterminate amount of time, while a new undersea cable would have to be installed. This poses particular risk to the more vulnerable demographic of the elderly and young children who live here.

Many roads on this island are in extremely bad and dangerous condition and cannot be left un-repaired for even another six months. They are in dire need of attention now. The remaining good roads would surely be damaged by the large scale development planned. Fort Hill Road is one of the worst and also the most traversed by tourists. I understand the development may help fix some of our roads, however these roads are not specifically mentioned in the lease for repair. We need provisions put in place to ensure that these roads are repaired soon. A 3 million dollar bond would probably not even fix Fort Hill Road, let alone any other damages that are incurred.

The amended lease in its current form privatizes key areas on Water Island that are critical for our daily operations and functions.

1) The Water Island Ferry Dock at Phillips Landing is our main port to get on and off the island. This parcel includes public parking, the USPS mail room and a boat ramp. The Dock is officially designated U.S. Federal Highway Maritime Route 306M and is a vital public access area for people who live here, as well as for fellow Virgin Islanders who visit, allowing access to our very popular Honeymoon Beach. Known as the "Road to Water Island", since Water Island lacks traditional bridges and public roadways, the ferry route serves as the official highway and right-of-way for daily commuters and visitors. This area should NOT be leased to a development company which can then take control of how the public gains access to the island.

2)The Deep Water Dock is also a zone of concern, as it is where the barge gets our trash off the island and brings water or other supplies as needed. These are vital infrastructure needs. This parcel should also remain a public access area.

3) The Fire Station where Water Island Search and Rescue (WISAR) keeps our Fire/EMS vehicles and gear, as well as conducts our trainings and meetings, appears to also be in the lease. We would like to know what would happen to our station. If another area is created for Fire/EMS will it be made for WISAR? Or will dedicated Fire/EMS personnel be stationed there, to accommodate all the additional emergencies that will occur from having a much more densely populated island? Our group of dedicated volunteers currently has very limited capabilities to attend patients and fight fires, we cannot possibly scale up to handle the increased number of incidents that will occur due to the much higher number of people living on island and in addition, the dangers of the construction sites during the building phases.

4) Fort Segarra, recently restored by the hard work of volunteers using grant money provided by a sub award through DPNR, is a historical site of national importance, which also serves as a hurricane shelter in the event of a weather emergency. This, too, should remain a public access point for all Virgin Islanders and not be controlled by one for-profit company. This is part of Virgin Islands history and is a popular field trip destination for many of our Virgin Islands Schools.

In summary, the amended lease as it is written now, takes away critical public resources, threatens our Search and Rescue operations, leaves our roadways and infrastructure vulnerable to further damage and has a bond that is insufficient to address construction damage if the developer were to pull out of the project. These are just a few of my current concerns that I would ask you to please, seriously consider, before you vote to approve this lease. Please take time to look into more detail whether this transfer of rights of Virgin Islands land to a developer, is in the best interests of all Virgin Islands residents before you vote. I will end by reiterating my opinion that a smaller boutique hotel and marina would be a great and welcome addition to Water Island. Such a project would also complement the larger community of St Thomas, where the bigger marinas and hotels are suitably located. This development proposal before us now, is not an appropriate fit. Therefore I urge you to vote no on the amendment Bill Request No. 26-1154

Sincerely

Rachael Ackley
Concerned Resident
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