

**TESTIMONY FOR THE COMMITTEE ON BUDGET,
APPROPRIATIONS, AND FINANCE**

VIRGIN ISLANDS WASTE MANAGEMENT AUTHORITY

35TH LEGISLATURE OF THE VIRGIN ISLANDS

WEDNESDAY, APRIL 24, 2024

10:00 A.M.

ROGER E. MERRITT, JR. EXECUTIVE DIRECTOR

VIRGIN ISLANDS WASTE MANAGEMENT AUTHORITY



Good morning, Honorable Donna A. Frett-Gregory, Chairperson, and other Committee members of the 35th Legislature's Committee on Budget Appropriations and Finance, and members of the viewing and listening audience. I am Luis Sylvester, the Authority's Deputy Executive Director and I appear before you today with the Authority's Chief Financial Officer Daryl Griffith on behalf of Roger E. Merritt, Jr., Executive Director of the Virgin Islands Waste Management Authority (VIWMA), to provide testimony on the outstanding obligations owed by VIWMA to the V.I. Water and Power Authority (WAPA) and the challenges in meeting WAPA obligations.

VIWMA currently owes WAPA approximately \$3.8 million (\$2,316,899.64 was paid to WAPA by the Department of Finance for Aggreko on behalf of VIWMA on April 23, 2024), and the Authority's monthly WAPA bill is \$200K. The Office of Management and Budget as of Fiscal Year 2024 sets aside \$200,000 a month from the VIWMA allotment for WAPA, and these funds are sent directly from the Department of Finance to WAPA. The Governor has pledged to pay VIWMA's outstanding remaining balance owed to WAPA and once this happens, the Authority will continue making monthly payments and be current with WAPA going forward.

The Authority wants to remind the Senate that it did not pay the WAPA bill because it is still underfunded by nearly \$10 million and is working diligently to continue reducing expenses and increasing revenue. The Authority's expenses are over \$53.1 million while it receives \$40.5 million in Government Appropriations that include General Fund, Antilitter & Beautification, Tourism Advertising Revolving Fund and Sewer Wastewater Fund.



The Authority will be submitting requests to the Senate and Public Service Commission for Solid Waste Garbage Collection Fees, and Wastewater Hauler Septage Disposal Fees. The Garbage Collection Fees are designed to recover the costs of solid waste collected throughout the Territory (i.e., house-to-house, bin sites, convenience centers, etc.). The Waste Hauler Septage Fee will cover costs associated with businesses transporting septage from their customers to the Authority's wastewater treatment plants for processing.

The goal of the Authority is to oversee solid waste and wastewater operations in a more proactive/maintenance-based manner. However, we must develop the appropriate funding available to support this vision. We are taking the necessary steps toward the goal of self-sufficiency by charging solid waste tipping fees and a plan for these additional fees will be submitted this fiscal year, so the Authority can continue creating additional revenue streams.

This concludes my testimony; CFO Griffith and I remain available to address any questions.

Thank you.